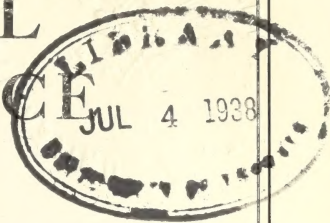


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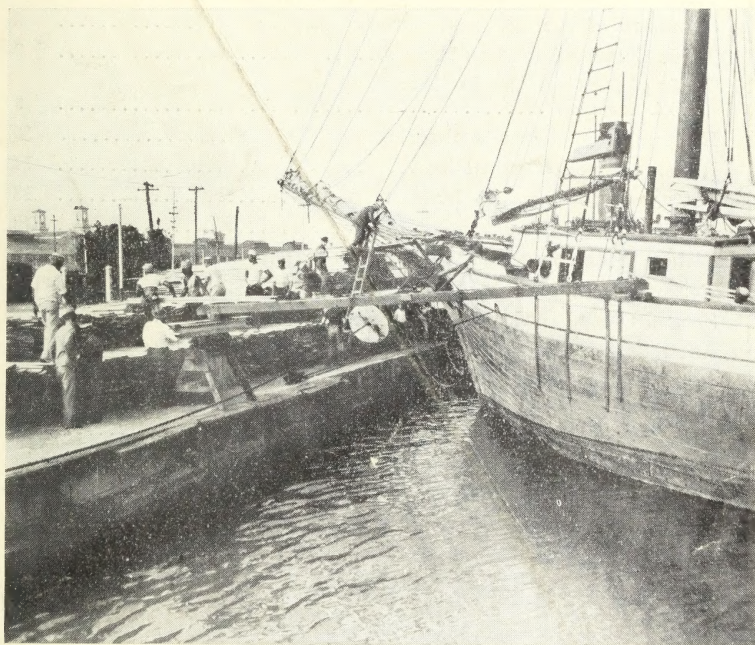


Vol. LIX

Ottawa, July 2, 1938

No. 1796

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Unloading Canadian Spruce Lumber for use as Boxwood from a
Sailing Vessel at Havana, Cuba

ISSUED BY AUTHORITY OF
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE
JAMES G. PARMELEE, DEPUTY MINISTER

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CONTENTS

	Page
Trade of France with Canada in 1937.....	1
Summary of the Trade of Canada: May.....	8
Trade Commissioners on Tour	9
Trade of South Africa in 1937:	
II. Imports	9
Economic Conditions in the North of England.....	15
Business Conditions in Eire	17
Postage Rate to British Malaya.....	18
Foreign Trade of Sarawak in 1937.....	18
Fish and Marine Animal Oils in the United States.....	19
Foreign Trade of Cuba in 1937.....	23
Second Official Estimate of Argentine Corn Crop.....	28
Austria's Agriculture within the Framework of Greater Germany	28
Turkey in 1937	30
Imports into the United States of Products under the Quota Provisions of the Trade Agreement	32
Tariff Changes and Customs Regulations	32
Foreign Exchange Quotations	35
Trade Inquiries for Canadian Products	36
Proposed Sailings from Canadian Ports	37
Commercial Intelligence Service	39

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Vol. LIX

Ottawa, July 2, 1938

No. 1796

TRADE OF FRANCE WITH CANADA IN 1937

J. P. MANION, ASSISTANT COMMERCIAL ATTACHÉ

(Twenty-five francs equal \$1 Canadian at average rate of exchange; one metric ton equals 2,204 pounds; one quintal equals 220 pounds)

Paris, May 26, 1938.—The total value of the trade of France with Canada in 1937 amounted to 664,614,000 francs (\$26,584,600) as compared with 407,090,000 francs (\$23,816,200) in 1936 and 415,212,000 francs (\$27,499,000) in 1935. The increase in francs over the previous year amounted to 63 per cent, but in dollars it was only 11·8 per cent.

Of the total trade value, imports accounted for 525,786,000 francs (\$21,031,400) in 1937 as against 321,533,000 francs (\$18,915,000) in 1936 and 331,612,000 francs (\$22,107,500) in 1935. The increase in imports in terms of francs over the previous year was 63·5 per cent, and in terms of dollars 12 per cent.

The balance of trade remains favourable to Canada, exports of French goods to the Dominion being valued at 138,828,000 francs (\$5,553,200) as against 83,557,000 francs (\$4,915,000) in the previous year; in both years, therefore, Canada's sales to France were almost four times as great as her purchases from that country.

FRENCH IMPORTS FROM CANADA

The value of total imports from Canada increased by \$2,116,400, due to greater purchases of wheat. This commodity continues to be the unstable factor in France's imports from the Dominion and, in order to arrive at a more accurate estimate of imports of other commodities, values for this item are shown as deductions in the following table of imports during the past three years:—

Total Imports from Canada into France

	1937	1936	1935
	Francs	Francs	Francs
Total imports	525,786,000	321,533,000	331,612,000
Imports of cereals	236,327,000	106,671,000	132,260,000
Imports (other than cereals) . . .	289,459,000	214,862,000	199,352,000

In terms of dollars, imports into France of Canadian goods other than cereals showed a decrease in 1937 as compared with 1936. France's imports from Canada of commodities other than cereals for the past six years were: 1932, \$3,102,810; 1933, \$7,646,000; 1934, \$6,679,660; 1935, \$12,208,700; 1936, \$12,630,300; 1937, \$11,578,360.

The reduction of 8·3 per cent in the dollar value of such other Canadian goods imported into France was partly due to the added cost in terms of francs. The trend towards a greater diversity in imports from Canada since 1932 has been maintained.

The second most important commodity imported into France from Canada in 1937 was raw hides and skins, valued at 120,947,000 francs (\$4,838,000) as

against 70,468,000 francs (\$4,145,000) in the previous year. This represented 23 per cent as against 22 per cent of the total value in 1936. The volume of imports of raw hides and skins amounted to 263 metric tons in 1937 as against 164 tons in 1936.

The third most important import from Canada in 1937 was copper, valued at 37,134,000 francs (\$1,485,000) as against 59,792,000 francs (\$3,517,000) in 1936. This represented a marked reduction both in value—7 per cent as against 18.7 per cent of total trade—and in volume—5,522 metric tons as against 18,381 metric tons.

In 1936 the fourth largest item of import was dried, salted, or preserved fish, but in 1937, due to supplementary quotas granted to Canada, lead ranked fourth with an import value of 20,434,000 francs (\$817,000) as against 4,338,000 francs (\$255,000) in 1936. Imports totalled 6,380 metric tons as compared with 2,808 tons in the previous year. The proportion of the total trade represented by lead was nearly 4 per cent.

Asbestos was next in importance, being valued at 16,528,000 francs (\$661,000) as against 5,633,000 francs (\$331,000) in 1936 and representing a volume of 8,774 tons as compared with 4,428 tons. This item accounted for about 3 per cent of the trade as against half that percentage in the previous year.

Wood-pulp, fish (dried, salted, or preserved), and prepared skins, valued at 11,640,000, 11,439,000, and 11,426,000 francs respectively (approximately \$450,000), each accounted for 2 per cent of the total trade. Of these three, only prepared skins increased in value over the previous year. The quantities imported from Canada were respectively 5,439, 3,240, and 13 metric tons (7,606, 4,145, and 9 metric tons in 1936).

The eight categories of imports mentioned above represented approximately 88 per cent of the total value of imports from Canada in 1937. All other specified commodities accounted for only 8 per cent or \$1,600,000. Included among these items were, in order of importance, precious metals, nickel, canned lobster, lumber, rubber goods, ores, zinc, fresh frozen fish, chemical products, motors, fruit, and cheese, the values ranging downward from \$300,000 to \$40,000. Unspecified imports accounted for the remaining 4 per cent.

The following table shows the value and volume of imports from Canada, according to French trade statistics, for 1937 and 1936:—

Imports into France from Canada by Commodities

	1,000 Francs		Metric Tons	
	1937	1936	1937	1936
Raw pelts and skins	120,947	70,468	263.1	164.3
Cheese	1,021	583	116.2	108.2
Fish:				
Frozen	2,562	1,251	418.3	330.2
Canned	11,439	10,268	3,240.3	4,145.2
Lobster	4,846	6,770	244.4	501.0
Cereals	236,327	106,771	171,608.5	160,035.4
Fruits	1,084	2,014	463.3	1,359.6
Common woods	3,645	1,578	7,335.0	6,125.0
Wood-pulp	11,640	9,028	5,439.1	7,605.7
Stones and earths	16,528	5,633	8,773.6	4,428.0
Gold and platinum	7,526	8,660	0.2	0.4
Copper	37,134	59,792	5,521.8	18,380.6
Lead	20,434	4,338	6,380.3	2,808.1
Zinc	2,575	1,321	826.9	914.6
Nickel	5,757	5,750	285.0	389.7
Ores	2,949	2,664	2,834.8	4,877.0
Chemicals	2,224	2,074	5,797.5	7,967.0
Dressed pelts	11,426	6,276	13.0	9.2
Machinery	1,765	611	259.0	66.4
Automobiles	25	1,752	1.9	155.5
Rubber goods	3,058	1,386	144.3	95.0
Other articles	20,874	12,545	.....	.....
Total	525,786	321,533	219,966.5	220,486.1

EXPORTS FROM FRANCE TO CANADA

The total value of exports from France to Canada in 1937 was 138,828,000 francs (\$5,553,000) as against 83,490,000 francs (\$4,910,000) in 1936 and 83,738,000 francs (\$5,543,000) in 1935. French exports have remained at a stable figure for the last three years and represent slightly more than 25 per cent of the value of imports from Canada.

The most important item of export to Canada is spirits, mostly brandies, of which the value was 10,727,000 francs (\$429,000) or $7\frac{1}{2}$ per cent of the total trade. Next in importance are various papers of good quality, with a value of 9,422,000 francs (\$377,000) in 1937.

Prepared furs and skins follow, with a value of 8,797,000 francs (\$352,000); raw hides and skins, 8,570,000 francs (\$343,000); and wines, 8,065,000 francs (\$322,600).

These first five commodities account for only 33 per cent of total exports to Canada, whereas the first five items in French imports of Canadian goods account for 82 per cent of the total trade.

The other two-thirds of exports from France was made up of thirty-four different items. Only one of these, silk and rayon tissues, accounted for over 5 per cent of total trade, the value of such exports being 7,356,000 francs (\$294,000).

Ranging downwards from this value, in order of importance, were: fruit, fresh, dried, or preserved, \$229,000; leather goods, \$213,000; books, newspapers, and periodicals, \$192,000; patent medicines, \$189,000; wearing apparel, \$183,000; chemical products, \$181,000; perfumery and soaps, \$149,000; metal manufactures, \$142,000; iron and steel, \$122,000; small decorative ware, \$120,000; woollen tissues, \$103,000; and vegetable oils, \$98,000.

INCREASES AND DECREASES

Noteworthy changes in the volume of export trade to Canada included an increase of 700 per cent in iron and steel. Shipments of fruit were doubled, and those of wines, cinema films, and iron products were 50 per cent higher. As against these increases, there were reductions of 50 per cent for raw hides and skins, 70 per cent for vegetable oils, and 85 per cent in hats and caps.

The complete list of French exports to Canada is given in the following table:—

Exports to Canada from France

	1,000 Francs		Metric Tons	
	1937	1936	1937	1936
Raw pelts and skins	8.570	6.667	283.1	587.3
Wool and waste	1.642	789	83.3	70.4
Cheese	1.606	1.391	111.9	125.6
Fruits	5.732	2.232	675.2	336.6
Vegetable oils	2.382	2.525	276.4	625.2
Fusel oils and essences	1.693	875	16.5	12.0
Preserved vegetables	1.079	829	191.8	191.1
Nursery stock	1.046	558	173.6	143.3
Wines, brandies and liquors	20.662	11.456	919.7	641.4
Mineral waters	1.236	1.060	1,306.9	1,251.4
Iron and steel	3.040	238	2,900.4	472.3
Chemicals	4.534	1.531	423.2	365.9
Dyes	1.507	873	66.0	51.2
Colours, ink and pencils	363	281	319.4	282.8
Perfumery and soap	3.717	2.433	456.6	376.4
Compound medicines	4.739	3.950	262.7	222.7
Earthenware and china	543	276	44.4	31.1
Glass and crystal	1.478	881	496.6	368.3
Cotton yarns	811	684	14.9	16.3
Fabrics:				
Cotton	1.622	1,212	22.7	13.9
Wool	2.578	1,620	35.1	36.9
Silk	7,356	5,858	53.0	60.6
Jute	345	279	24.9	30.7

Exports to Canada from France—Concluded

	1,000 Francs		Metric Tons	
	1937	1936	1937	1936
Hosiery and ready-made clothes..	4,577	3,009	31.1	32.5
Paper and cardboard	9,422	4,568	643.8	453.8
Books, engravings	4,805	3,207	263.3	182.9
Cinema reels and films..	917	662	0.5	0.3
Leather goods..	5,341	3,429	23.6	22.4
Dressed pelts ..	8,797	4,569	49.4	46.2
Jewellery and imitations	713	387	0.3	0.2
Metal wares	3,556	1,345	150.7	93.9
Musical instruments	379	429	.....	.....
Hats and caps	90	210	.....	.....
Fans and small fancy wares	2,992	2,391	82.0	78.1
Toys and games	1,029	639	25.6	25.5
Millinery	324	193	.....	.....
Parcel post..	4,685	3,099	.....	.....
Other articles	12,230	6,539	.....	.....
Total value	138,828	83,557	.....	.....

NOTES ON COMMODITIES IMPORTED INTO FRANCE FROM CANADA

WHEAT

The 1936 wheat crop in France amounted to approximately 260,000,000 bushels. Although this was less than consumption requirements, large carry-overs from the preceding three large crops helped to satisfy the demand. The 1937 crop, however, was also about 260,000,000 bushels, and by August 1 the carry-over stocks had been reduced to about 12,000,000 bushels. Although this crop and carry-over were not sufficient for French needs, there was no shortage since, in the meantime, consumption of bread has been falling, due to inferior quality and a large production of vegetables. As the crop for the present year promises to be exceptionally heavy (possibly 360,000,000 bushels), the National Wheat Office may not have recourse to importation.

The result of conditions for the last five years has been that the bulk of the imports of wheat have come from the North African colonies. However, in 1937 France purchased about 600,000 bushels of wheat from Yugoslavia, but part of this importation was resold to other markets and the remainder was bought for stockage by the army. It may be necessary to import 1,200,000 bushels of durum wheat on account of the shortage of Moroccan supplies and the poor quality of the Algerian and Tunisian crops.

Apart from real imports there are what are called temporary imports. Under this system, it has to be shown that an equal amount of French wheat has been previously exported, so that the imports merely compensate for reduced supplies of French wheat.

Canadian hard wheat for mixing purposes is imported under this system. French millers consider that the ideal proportion of Canadian wheat in flour mixes is about 15 per cent. However, since imports depend upon previous exports of French wheat or flour, which are generally sold at a loss, total imports depend upon the ratio between loss on export value and gain in milling quality, so that imports have recently been kept at an economic minimum, which calls for an average mix of about 5 per cent Canadian wheat.

For a number of years, up to the middle of 1937, Canadian wheat had accounted for about 90 per cent of all wheat imported under this system for mixing purposes. As a result of the small 1937 wheat crop in the Dominion, however, there was a reduction in Canadian supplies, so that imports from the United States and Argentina have again become of some importance.

Following are the imports of wheat into France for 1937 and 1936:—

	1937 Bushels	1936 Bushels
Total	16,988,490	19,318,959
French colonies	8,901,717	13,225,840
Canada	6,285,453	5,877,672
Argentina	546,976	67,358
Yugoslavia	526,981	17,405
United States	359,621	40,462
Irak	282,452	17,406
Other countries	85,290	12,460

Imports of wheat from Canada in 1937 accounted for 37 per cent of total imports as compared with 30 per cent in 1936. The increase in Canada's share of total imports is due to lower production in Algeria and Morocco. While total imports from Canada increased somewhat, this increase was not as great as that in total imports from all countries other than French colonies. In 1936 Canada supplied 97 per cent of total wheat imports from foreign sources, whereas in 1937 the proportion was only 81.5 per cent.

RAW HIDES AND SKINS

This item includes large and small hides and raw furs. From Canada the steadiest imports under this classification item are of raw furs, as hides are imported only when the Canadian price is competitive. France imported 1,605 metric quintals of raw furs from Canada and 1,026 quintals of raw hides in 1937 as compared with 1,506 quintals and 137 quintals respectively in 1936. Imports of raw furs (other than rabbit) totalled 8,799 metric quintals, of which Canada's share was 18 per cent. Imports of hides from Canada were not classified as to types.

COPPER

Imports of copper from Canada in 1937 amounted to 55,218 metric quintals as against 183,806 quintals in the previous year. Of these, 51,767 and 178,513 quintals imported in 1937 and 1936 respectively were of refined electrolytic copper, the remainder coming in as pigs or bars. Total imports of copper in 1937 amounted to 988,999 quintals as against 998,679 in the previous year, with Canada's share reduced to 5.2 per cent from 18 per cent in 1936. Other sources of refined copper were: Chile (371,797 quintals), United States (262,526 quintals), Belgium (226,395 quintals), other countries (76,514 quintals). Copper imported in other forms, including concentrates, alloys, and laminated scraps, amounted to 393,000 quintals.

LEAD

Imports of lead from Canada amounted to 63,803 quintals as against 28,081 quintals in the previous year. In 1937, 35,560 quintals were classified as argentiferous, while none was so classed in 1936. Total imports of argentiferous lead imported into France in 1937 amounted to 106,827 quintals (48,264 in 1936) and of non-argentiferous lead to 403,687 quintals (595,584 quintals). France is endeavouring to obtain a larger share of its supplies from its colonies, and imports from Canada will possibly be reduced in the future.

ZINC

Canada supplied 8,269 quintals of zinc in 1937 as against 9,146 quintals in the previous year. Total imports of zinc into France from foreign countries amounted to 275,499 quintals and 271,170 quintals in 1937 and 1936 respectively. Principal sources of supply were Belgium, 145,076 (125,630); Norway, 82,633 (84,958); Mexico, 19,489 (18,635); and Netherlands, 9,035 (13,523).

France is a large producer of zinc from imported ores, which amounted to 1,456,158 quintals in 1937 (1,839,691 quintals), and are obtained mostly from Mexico, Spain, Turkey, Yugoslavia, and Sweden.

NICKEL

France imports about 45,000 quintals annually of nickel concentrates from New Caledonia, but is obliged to obtain additional quantities from other sources. Canada supplied 2,850 quintals in 1937 (3,886 in 1936) out of total pure nickel imports of 26,372 quintals (19,236). Belgium is the chief supplier with 14,349 quintals (2,468), followed by the United Kingdom with 5,545 quintals (8,558) and Norway with 3,117 quintals (3,999).

ASBESTOS

Imports of asbestos from Canada amounted to 37,736 quintals in 1937 (44,280 quintals) out of total imports of 180,789 quintals (153,418 quintals). Thus Canada supplied 48 per cent in 1937 as against 30 per cent in 1936.

WOOD-PULP

France imports large quantities of cellulose raw materials. In 1937 total imports of such materials amounted to almost 1,500,000 tons, of which pulp-wood accounted for 425,000 tons, various forms of wood-pulp for 875,000 tons, and waste paper, rags, etc., for the remainder.

Of the imports of pulpwood, only 6,200 metric tons came from Canada, since the freight difference favoured Baltic sources of supply.

For wood-pulp also the Dominion is at a disadvantage with respect to freights, and the only varieties which can compete are the more expensive types of bleached chemical pulp. Imports from Canada amounted to 5,439 metric tons (7,606 tons in 1936) out of total imports of bleached chemical pulp amounting to 167,110 metric tons (138,988 tons).

Canada's share was smaller—3.3 per cent as against 5.5 per cent in the previous year. This was probably due to improved market conditions in America at the beginning of 1937, producers being unwilling to ship their supplies to European markets. It is probable that Canadian exports to France will be considerably higher in 1938.

Chief sources of bleached chemical pulp are Sweden (55,532 tons), Finland (32,413), Norway (23,997), Austria (14,664), Czechoslovakia (9,958), the United States (9,716), and Germany (5,303).

PRESERVED FISH

Imports from Canada of preserved fish amounted to 32,403 metric quintals (41,452 metric quintals in 1936). This is almost equal to the amount of the quota granted at the beginning of the year for canned salmon, but does not include shipments made under an extra allotment of 7,500 quintals towards the end of the year. Since the basic quota for 1938 is the same as for 1937, the amount which will be imported will be about the same as in 1936.

Japan is accorded the same quota as Canada, while the United States and Russia are allowed 10,000 quintals and 7,500 quintals respectively.

CRUSTACEANS

Canada has a quota of 5,500 quintals a year for canned lobster. Imports in 1936 were nearly equal to this, amounting to 5,010 quintals, but in 1937 the figure was reduced to 2,444 quintals, due to competition from lower-priced crab from Japan and crayfish from South Africa. Imports of crustaceans from the Union of South Africa amounted to 20,143 quintals (21,447 in 1936); from Japan, 6,558 quintals (6,144); and from Soviet Russia, 5,198 quintals (4,333).

FRESH FISH

Imports of fresh fish from Canada consisted entirely of fresh frozen salmon amounting to 4,183 quintals in 1937 (3,302 quintals in 1936 and 2,000 quintals

in 1935). This is a trade that will continue to increase steadily now that quota restrictions have been removed.

LUMBER

France is an important market for lumber. Total imports of wood of all kinds amounted to about 1,300,000 metric tons in 1937, an increase of 200,000 tons over those for the previous year. Of the amount above, deducting imports of pulpwood, there remained 875,000 tons in 1937 and 775,000 tons in 1936, of which 682,600 tons and 607,000 tons respectively came from foreign countries and the remainder from the colonies.

It is practically impossible for American or Canadian woods to compete with ordinary structural woods from Baltic countries. Of the foreign woods supplied, only 32,090 metric tons (26,285 in 1936) came from the United States and 7,335 metric tons (6,125) from Canada. Main sources of supply were Finland, Soviet Russia, and Sweden, with other cheap woods coming from Poland, Austria, and Latvia.

Canadian and United States woods are used mostly for finishing. Birch and maple logs are imported for unrolling into veneers, a certain amount of Western red cedar and redwood is imported, and Sitka spruce is becoming an important item of trade. Douglas fir and Oregon pine are imported in small quantities only. Intensive publicity would undoubtedly assist in expanding the market for Canadian lumber.

CHEMICAL PRODUCTS

Imports of chemical products from Canada amounted to 5,797 metric tons (7,967 in 1936). Among the more important items were iron oxides, acetylene soot, and vinyl acetate.

MINERAL ORES

Imports of mineral ores from Canada totalled 2,835 tons as against 4,877 tons in the previous year. The comparatively high total in 1936 is accounted for by shipments of cobalt ores, which have since been reduced. The market offers opportunities for sales of zinc, cobalt and copper ores or concentrates, and for many metal ores or concentrates such as molybdenum and titanium.

RUBBER GOODS

Total imports of rubber goods from Canada amounted to 1,443 quintals as against 950 quintals in the previous year. Of this amount, 1,083 quintals (613 in 1936) consisted of tires and tubes, of which total imports from all countries amounted to 40,511 quintals (36,942 in 1936). The principal suppliers were Belgium, 6,611 quintals (9,120); United Kingdom, 2,692 quintals (1,547); and the United States.

The balance of imports from Canada under this heading consisted principally of rubber boots.

TRADE PROSPECTS FOR 1938

It is probable that imports into France of Canadian products will be considerably reduced during the current year. The decrease in the purchasing power of the consumer in terms of devalued francs will reduce the demand for manufactured goods, and the requirements for metals will not be as large owing to the efforts being made to revive the domestic refining industry.

On the other hand, imports of common lumber and wood-pulp will probably increase. The demand for minerals, chemicals, and machinery will likely be greater, due to the re-equipment of domestic industry in view of the European situation.

SUMMARY OF THE TRADE OF CANADA: MONTH, FIVE MONTHS, AND TWELVE MONTHS ENDING MAY, 1938

(Compiled by External Trade Branch, Dominion Bureau of Statistics)

Main Groups	Month of May, 1938				Five months ending May, 1938				Twelve months ending May, 1938			
	Total Imports	From United Kingdom	From United States	From United States	Total Imports	From United Kingdom	From United States	From United States	Total Imports	From United Kingdom	From United States	From United States
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<i>Imports for consumption</i>												
Agricultural and Vegetable Products.....	14,363,133	1,737,595	5,494,006	49,648,740	6,563,620	21,687,916	146,719,690	18,082,051	47,993,802			
Animals and Animal Products.....	1,991,081	329,240	916,071	11,599,015	2,054,531	4,837,765	28,695,494	5,273,551	11,103,361			
Fibres, Textiles and Textile Products.....	6,883,390	2,959,075	2,471,559	38,820,838	17,992,769	13,011,551	102,761,554	48,236,243	33,813,354			
Wood, Wood Products and Paper.....	2,705,487	3,279,907	2,151,857	13,067,364	1,226,454	11,025,940	33,971,017	3,807,477	27,659,250			
Iron and its Products.....	17,187,683	3,637,481	13,470,788	73,903,364	10,689,479	60,791,560	292,798,025	30,938,077	164,060,699			
Non-Ferrous Metals and their Products.....	3,559,566	497,174	2,000,133	16,509,957	2,137,136	11,036,100	45,688,233	17,204,273	29,522,390			
Non-Metallic Minerals and their Products.....	12,673,683	1,630,830	8,684,135	49,182,707	4,047,295	32,090,578	135,198,320	13,430,489	163,741,494			
Chemicals and Allied Products.....	3,265,578	691,359	2,014,588	13,078,563	2,433,945	8,634,524	36,143,869	7,363,107	29,675,536			
Miscellaneous Commodities.....	4,530,456	767,680	3,246,828	18,994,442	2,659,940	14,037,030	49,608,646	7,089,049	36,052,947			
Total Imports, 1938.....	67,123,087	11,930,350	40,519,975	277,745,587	50,957,514	178,311,981	781,404,857	141,424,617	476,658,833			
1937.....	76,707,454	14,483,278	45,842,584	305,147,005	56,124,478	192,172,629	704,131,238	133,326,957	416,719,293			
1936.....	69,120,840	12,632,375	33,363,680	236,206,611	46,768,785	144,394,903	572,880,438	119,291,729	327,261,712			
<i>Exports (Canadian Produce)</i>												
Agricultural and Vegetable Products.....	10,466,712	5,723,212	1,295,626	60,145,924	37,624,452	7,596,919	219,654,236	138,473,619	28,446,645			
Animals and Animal Products.....	9,076,891	6,172,015	1,847,778	45,596,910	28,129,567	11,614,269	131,339,182	77,956,150	38,509,918			
Fibres, Textiles and Textile Products.....	1,262,966	490,394	84,396	4,833,325	1,735,277	49,333,165	14,102,250	3,953,539	1,988,639			
Wood, Wood Products and Paper.....	16,936,096	3,334,420	10,772,652	77,238,378	14,603,858	28,336,379	245,762,166	45,358,393	160,791,074			
Iron and its Products.....	5,584,145	1,436,385	411,651	28,190,379	7,235,945	2,084,314	69,262,213	16,034,177	6,471,982			
Non-Ferrous Metals and their Products.....	17,414,600	9,326,210	3,539,741	81,153,208	41,013,531	17,564,817	270,523,941	107,364,904	111,114,632			
Non-Metallic Minerals and their Products.....	2,439,437	358,690	994,411	9,013,546	1,076,481	4,649,205	28,823,944	3,463,808	16,143,835			
Chemicals and Allied Products.....	2,288,700	610,914	1,075,070	9,063,314	1,980,651	4,479,873	20,424,847	5,065,327	8,824,712			
Miscellaneous Commodities.....	2,299,953	406,698	1,705,582	9,139,907	1,931,495	3,511,243	20,246,298	4,223,523	9,880,926			
Totals, 1938.....	67,769,500	27,889,138	21,177,087	324,414,891	135,331,537	101,118,198	1,020,205,647	401,893,850	332,182,383			
1937.....	103,524,553	34,628,340	47,982,975	414,401,395	138,033,162	189,116,861	1,088,979,539	412,606,282	456,407,570			
1936.....	83,879,751	34,253,232	28,546,779	340,627,291	125,262,865	140,373,858	877,461,885	333,248,557	368,939,875			
<i>Exports (Foreign Produce)</i>												
Totals, 1938.....	5,021,747	3,068,708	728,478	12,956,922	5,064,036	5,928,764	21,148,846	5,763,874	12,729,340			
1937.....	2,079,282	195,883	1,613,434	6,575,937	387,275	6,421,047	15,296,132	1,127,802	12,991,587			
1936.....	665,715	103,110	525,569	3,976,324	387,275	3,311,254	13,110,124	899,130	11,469,895			
<i>Excess of Imports (\$) or all Exports (e)</i>												
Totals, 1938.....	(e) 5,668,210	(e) 19,027,496	(i) 18,614,410	(e) 59,626,276	(e) 80,138,029	(i) 71,265,019	(e) 239,859,636	(e) 266,233,107	(i) 81,747,110			
1937.....	(e) 28,896,381	(e) 20,341,145	(e) 3,753,825	(e) 115,830,327	(e) 82,510,370	(e) 2,365,279	(e) 400,144,433	(e) 280,407,127	(e) 51,679,918			
1936.....	(e) 25,394,626	(e) 22,323,967	(i) 4,491,332	(e) 108,397,004	(e) 79,881,355	(i) 969,791	(e) 317,691,551	(e) 214,856,258	(e) 53,148,058			

TRADE COMMISSIONERS ON TOUR

Mr. A. B. Muddiman, Canadian Trade Commissioner at Milan, Italy (whose territory includes Spain, Portugal, Gibraltar, Malta, Albania, and Yugoslavia); Mr. M. J. Vechsler, Canadian Trade Commissioner at Lima, Peru (whose territory includes Bolivia, Ecuador, and Chile); Mr. H. A. Scott, Canadian Trade Commissioner at Shanghai (whose territory includes Central and North China); and Mr. W. J. Riddiford, Canadian Trade Commissioner at Panama City (whose territory includes the Canal Zone, Venezuela, Colombia, Nicaragua, and Costa Rica), are visiting the principal industrial centres of Canada in the interest of Canadian trade with their respective territories. Their itineraries are as follows:—

Mr. Muddiman

Hamilton July 4 and 5
Kitchener July 6
London July 7
Windsor July 8

Fort William July 11
Winnipeg July 12 to 15
Vancouver July 19 to 23

Mr. Vechsler

Granby July 4
Cornwall and Brockville . . July 5
Kingston and Gananoque . . July 6
Belleville July 7
Oshawa July 8
Hamilton July 11 and 12
St. Catharines July 13 and 14
Niagara Falls July 15
Brantford and Paris . . . July 18

London July 19 and 20
Chatham July 21
Windsor and Walkerville . . July 22
Stratford July 25
Kitchener July 26 to 28
Oakville July 29
Ottawa Aug. 2
Winnipeg Aug. 4

Mr. Scott

Oshawa July 4
Peterborough July 5
Kingston July 6
Brockville and Prescott . . July 7
Ottawa July 8 to 14

Montreal July 15 to 30
Granby Aug. 1
St. Hyacinthe Aug. 2
Saint John Aug. 4
Halifax Aug. 5 and 6

Mr. Riddiford

Saint John July 4 to 6
Vancouver July 12 to 27

Ottawa Aug. 2 and 3

Firms who wish to be brought in touch with the Trade Commissioners should communicate: for Winnipeg and Vancouver, with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other centres, with the respective Board of Trade or Chamber of Commerce.

TRADE OF SOUTH AFRICA IN 1937

G. R. HEASMAN, CANADIAN TRADE COMMISSIONER

II

Imports

Total imports of merchandise from overseas into the Union of South Africa, exclusive of government purchases, during 1937 were valued at £96,312,179 as against £80,129,307 in 1936, an increase of £16,182,872 or 20 per cent. This increase was distributed over all statistical groups, but the largest increase was under the heading of metals, metal manufactures, machinery, and vehicles (£7,954,777). Oils, waxes, paints, and varnishes (£1,259,230) and wood and manufactures thereof (£1,132,920) also showed substantial increases.

The volume of overseas cargo landed at South African ports in 1937 amounted to 5,074,499 long tons as compared with 4,491,971 tons in 1936, or an increase of 12·97 per cent. These figures do not include cargo discharged

at Lourenco Marques, Portuguese East Africa, which is the port of entry for a large proportion of the imports destined for Johannesburg and the surrounding territory.

COUNTRIES OF ORIGIN

Of the 102 countries listed as trading with the Union of South Africa in 1937, 18 accounted for 92·6 per cent of the total imports, or £90,096,616 out of a total trade of £97,304,619. There were few changes in the main sources of supply during 1937, and the table below shows the values and percentages of South Africa's import trade with 18 of the principal countries, arranged in order of importance.

Country of Origin	1935		1936		1937	
	£1,000	Per Cent	£1,000	Per Cent	£1,000	Per Cent
Total merchandise.	71,618	100.0	81,099	100.0	97,304	100.0
United Kingdom	34,360	48.0	36,636	45.2	40,866	42.0
United States	12,697	17.7	15,927	19.6	19,978	20.5
Germany	3,448	4.8	4,302	5.3	5,315	5.5
Japan	2,657	3.7	3,065	3.8	3,869	4.0
Canada	2,436	3.4	2,882	3.6	3,420	3.5
Belgium	1,366	1.9	2,124	2.6	2,635	2.7
India	1,635	2.3	1,658	2.0	1,938	2.0
Sweden	1,301	1.8	1,410	1.7	1,879	1.9
Netherlands India	891	1.2	1,188	1.5	1,509	1.5
Persia	540	0.8	818	1.0	1,339	1.4
Holland	821	1.1	992	1.2	1,265	1.3
Czechoslovakia	676	0.9	911	1.1	1,226	1.3
Italy	891	1.2	262	0.3	1,160	1.2
Finland	552	0.8	756	0.9	1,039	1.1
France	734	1.0	735	0.9	825	0.8
Ceylon	669	0.9	683	0.8	754	0.8
Southern Rhodesia	348	0.5	421	0.5	572	0.6
Switzerland	380	0.5	440	0.5	502	0.5
Total (18 countries)	66,406	92.7	75,212	92.7	90,096	92.6

The total value of imports of United Kingdom origin increased during 1937 as compared with 1936, but there has been a tendency for some years past for the Union to obtain an increasing proportion of its requirements not only from sources other than the United Kingdom but from sources outside the British Empire. The percentage decrease of imports from the United Kingdom has been small but steady over the last five years. In 1933 the United Kingdom was credited with 49·9 per cent of the Union's imports, while for the quinquennial period ended 1914 the percentage averaged over 70. This is accounted for by various factors such as increased purchases by other countries of South African products being offset by larger Union purchases in return, the inauguration of direct steamship services to foreign countries, and the concluding of barter agreements or exchange clearing agreements with foreign countries. The United States has obtained an ever-increasing portion of the market, with heavy exports of motor cars, electric household appliances and machinery, while Japan has obtained an increasing share by reason of lower wage rates, depreciated currency, and possibly increased industrial efficiency.

Other British countries were credited in 1937 with a slight increase to 8·6 per cent as compared with 8·4 per cent in 1936. Total imports from foreign countries were valued at £47,195,822 as compared with £36,737,575 in 1936 or, on a percentage basis, 49 and 45·9 respectively.

ANALYSIS OF IMPORTS BY GROUPS

ANIMALS, AGRICULTURAL AND PASTORAL PRODUCTS

(Figures within parentheses are for 1936)

The principal commodities imported under this heading were: ox and cow hides valued at £147,916 (£103,096); sheep's wool, £164,424 (£102,914); sausage casings, £54,588 (£34,599); glue, £32,425 (£21,363); and vegetable seeds, £10,472

(£12,725). The products in this group are of little importance to Canada, with the possible exception of sausage casings. Imports under this heading have grown consistently during the past four years, with China as the chief source of supply. The present difficulties in China should enable Canada again to enter the market. During 1937 China supplied to the value of £34,124 (£23,246). Ox and cow hides were obtained largely from Southern Rhodesia, while glue imports were mainly from the United Kingdom.

FOODSTUFFS

Total imports of foodstuffs during 1937, notwithstanding increased local production, were valued at £4,781,450 (£4,089,145). In 1934 imports of foodstuffs were valued at approximately £1,000,000 less. The chief sources of supply were: the United Kingdom, £854,166 (£821,935); Ceylon, £637,320 (£595,165); India, £420,814 (£384,345); United States, £331,805 (£237,353); Dutch East Indies, £302,508 (£180,742); Brazil, £268,419 (£239,066); Canada, £262,303 (£184,128); Uganda, £137,408 (£110,151); Argentina, £119,426 (£76,988); Siam, £162,705 (£134,406); Portuguese East Africa, £89,407 (£177,387). Of all the imports of foodstuffs, over 30 per cent consisted of three commodities, viz., tea, rice, and coffee, in the order named. Imports from Siam consisted entirely of rice, while a large proportion of the imports from India were rice and tea. The imports from Uganda were entirely coffee. Manufactured sweets were imported to the value of £157,836 (£143,135), largely from the United Kingdom; preserved fish, £368,533 (£300,696), largely from Canada and the Scandinavian countries; condensed milk, £118,639 (£31,249), from the United States; ground nuts, £222,660 (£205,434), with Spain and the United Kingdom the main sources of supply.

ALES, SPIRITS, WINES, AND BEVERAGES

Imports in this group were valued at £702,923 (£698,450). It is in this class that the United Kingdom obtains the largest share of the total imports, amounting to 78.3 per cent or £550,952. The largest single import is whisky valued at £421,267 (£426,901), of which practically the total comes from the United Kingdom. Imports of perfumes and spirits were valued at £56,802 (£52,547), also largely from the United Kingdom. Imports of heavy, light, and sparkling wines were valued at £48,252 (£62,319). The heavy wines came chiefly from Spain and Portugal, light wines from Germany, and sparkling wines almost entirely from France. It speaks well for the local wine industry that while imports of practically all commodities during the past years of prosperity have increased, wines have shown a tendency to decrease and, as compared with last year, showed a substantial decline.

TOBACCO, CIGARS, AND CIGARETTES

This is the smallest class of imports, the total value for the year being £344,876 (£284,653). The largest single item in this group was unmanufactured tobacco, which accounted for over two-thirds of the imports from Southern Rhodesia. Imports of cigarettes were chiefly from the United Kingdom, valued at £63,631 (£64,625), and cigars from Cuba, £54,128 (£55,819). Imports of manufactured tobacco, like wines, showed a tendency to decrease last year as compared with 1936, there being a larger consumption of South African manufactured tobacco products.

FIBRES, YARNS, TEXTILES, AND APPAREL

Total imports under this heading were valued at £20,937,483 (£18,304,737). Although South African industries manufacturing clothing and blankets are

developing rapidly, imports in the more important classes of goods coming under this heading continue to increase. The United Kingdom was the chief source of supply with £11,986,876 (£11,345,093) or 57·2 per cent of the total. This percentage is less than that of last year and, in fact, has been falling steadily on a percentage basis for several years. Japan, on the other hand, continued to show an increase with exports during 1937 valued at £2,998,001 (£2,302,512); the United States, £1,152,544 (£921,904); India, £1,066,950 (£918,233); Italy, £829,729 (£631,388). The largest single import, of course, consisted of cotton piece-goods valued at £4,472,270 (£3,805,831), of which the United Kingdom supplied to a value of £3,533,258 (£3,075,259); Japan, £603,278 (£488,138).

Imports of women's outer garments were valued at £2,319,230 (£2,050,692), of which the United Kingdom supplied £1,210,764 (£1,224,199); United States, £396,816 (£318,798); Japan, £228,206 (£126,762); Germany, £131,810 (£158,885). It will be noted that under this heading the United Kingdom showed a slight decrease, while Japan, on the other hand, recorded a substantial increase.

Woollen piece-goods were imported to a value of £2,276,243 (£1,837,747), of which the United Kingdom is credited with £1,414,134 (£1,467,518), a slight decrease; while Japan showed an increase of almost 100 per cent with £411,953 (£213,040).

Imports of rayon silk, £1,245,992 (£1,056,188), were divided between the United Kingdom and Japan, with both countries participating in the increased imports.

Jute bags valued at £765,829 (£631,229) came almost entirely from India.

Men's outer garments, £680,814 (£672,790) were imported largely from the United Kingdom.

Imports of hosiery, other than cotton or silk, were valued at £656,737 (£623,375), of which Canada supplied the largest proportion, £283,462 (£306,613), followed by Japan with £160,128 (£120,080). Indications are that Canada lost part of her hosiery trade to Japan during 1937.

Imports of blankets were valued at £459,064 (£346,098), of which the United Kingdom supplied to the value of £175,533 (£171,892), followed by Italy with £169,147 (£50,962).

The import value of carpets and floor rugs was £386,700 (£368,643), of which the United Kingdom is credited with £246,591 (£229,443), followed by Belgium and China.

Imports of silk piece-goods were valued at £344,547 (£376,320), of which Japan supplied about two-thirds and the United Kingdom the balance.

Of the imports of felt and fur hats and caps valued at £227,339 (£194,035), the United Kingdom supplied to the extent of £136,413 (£134,482) and Italy, £63,293 (£23,402).

METALS, METAL MANUFACTURES, MACHINERY, AND VEHICLES

Total imports under this heading, the largest of all the groups, were valued at £41,615,689 (£33,660,912), a heavy increase as compared with 1934, when the value was £24,729,394. This class accounted for 40 per cent of the Union's total imports, the United Kingdom supplying 45 per cent with £18,718,148 (£15,965,221), followed by the United States with £13,666,894 (£10,682,505); Germany, £3,147,515 (£2,368,037); Canada, £1,648,239 (£1,332,508). Of Canada's exports to the Union of South Africa, about one-third were under this heading.

The South African Iron and Steel Corporation has not only made great strides and become firmly established since 1935, but it has also been the means of bringing other steel-using industries to the country. Because South Africa has been experiencing unusual prosperity, the effect of domestic production on imports has not been so noticeable as it would have been, or as it will be, during

more normal years. Any recession in the present wave of prosperity will first affect firms interested in the export to the Union of a number of commodities included under this group.

The largest single import item was motor car chassis and parts, with a value of £7,828,743 (£6,573,775), followed by motor truck chassis and parts valued at £2,193,149 (£1,617,647). The two latter items were imported largely from the United States and, together with accessories, constitute about 45 per cent of imports from that country into South Africa.

Other large items under this group were electrical machinery, appliances and fittings, n.e.e., £2,064,463 (£1,750,298), of which over 50 per cent was imported from the United Kingdom. The foregoing figure does not include motors, transformers, or dynamos.

The bulk of the imports of agricultural implements, all kinds, £1,459,587 (£1,201,057) was obtained from the United States, followed by Canada and Germany.

Imports of electric cable and wire, £1,255,895 (£1,110,531), came almost entirely from the United Kingdom. Boilers for industrial purposes accounted for £885,926 (£554,936). The continued expansion of imports under this latter heading is evidence of the increasing importance of secondary industries in the Union of South Africa, which necessitates the importing of industrial boilers.

Imports of galvanized and corrugated sheet zinc plates were valued at £795,218 (£552,103), of which over 50 per cent came from the United Kingdom and the balance largely from Belgium. Radio apparatus accounted for £776,841 (£602,536) and wrought iron and steel pipes for £655,168 (£514,137), of which the United Kingdom supplied about two-thirds.

Supplies of iron and steel plates, £601,814 (£401,784), and mechanics' tools, £526,238 (£441,430), were divided largely between the United Kingdom and the United States. Electric cooking and heating appliances, £383,049 (£309,584), and stoves, ranges and parts, other than electric, £315,463 (£236,390), came chiefly from the United Kingdom, with Canada obtaining a steadily increasing share of the imports.

MINERALS, EARTHENWARE, GLASSWARE, AND CEMENT

Total imports under this heading were valued at £2,187,495 (£1,985,167). The chief source of supply was the United Kingdom with 36.2 per cent of the total or £790,923 (£700,699). This is one of the two groups in which the United Kingdom shows a slight percentage increase. Other countries of origin were: Germany, £230,998 (£224,804); Belgium, £216,221 (£166,836); United States, £211,274 (£187,789); Czechoslovakia, and Japan. The chief imports consisted of plate, plain, and other glass, £355,086 (£304,598); china and porcelain ware, £258,261 (£244,505); bottles and jars, £222,207 (£206,218); building cement, £113,418 (£129,108). Belgium and Yugoslavia were the chief sources of supply. Imports of flooring and wall tiles were valued at £180,026 (£128,924).

OILS, WAXES, RESINS, PAINTS, AND VARNISHES

Total imports were valued at £6,141,452 (£4,882,222). This group showed the largest increase during 1937 with the exception of metals and metal manufactures; the large increase in the latter group was accounted for heavy imports of motor vehicles. In this group, which embraces motor spirit, there is a correspondingly large increase to meet the demand of the increased imports of motor cars. The chief countries of origin were those exporting oil, such as the United States, £1,903,480 (£1,434,313); Persia, £1,326,063 (£797,082); Dutch East Indies, £767,378 (£893,428). The main commodities imported were: motor spirits, such as gasolene, £2,233,714 (£1,811,664); lubricating oil, £686,416

(£533,293); fuel and crude oil, £505,784 (£315,067); paraffin wax, £279,052 (£220,278); and ready-mixed paints, £261,904 (£229,119).

DRUGS, CHEMICALS, AND FERTILIZERS

Imports under this heading were valued at £3,644,524 (£3,115,370), of which the United Kingdom supplied 44·7 per cent or to a value of £1,628,092 (£1,502,442), followed by Germany, £456,306 (£277,626); the United States, £423,477 (£365,403); Holland, £270,713 (£291,052). The chief products imported were: fertilizers, such as phosphates, whale and potash manures, and other types of artificial fertilizers, £621,061 (£555,020); glycerine, £444,613 (£288,467); cyanide, £444,086 (£422,894); medicinal preparations, non-spirituous, £338,590 (£361,482), largely from the United Kingdom and to a lesser extent from the United States. Perfumery and toilet preparations accounted for £223,477 (£203,586), of which the United Kingdom supplied over 50 per cent. The United States was the next largest source of supply.

LEATHER, RUBBER AND MANUFACTURES THEREOF

Total imports were valued at £2,558,300 (£2,202,381), of which the United Kingdom supplied to a value of £874,030 (£839,089); the United States, £353,299 (£304,146); the Dutch East Indies, £325,794 (£77,421). Imports of unmanufactured rubber were valued at £518,315 (£247,133). This compares with imports in 1934—before the establishment of several tire factories in the Union—of £53,962. It is to be expected, therefore, that imports of motor car and truck tires, which used to rank first in this class, will continue to fall. They had a value in 1937 of £281,331 (£392,985) as compared with £548,424 in 1934. Imports of men's, women's, and children's leather footwear were valued at £281,613 (£291,476); other leather in the piece, £214,299 (£200,203); calf leather, £206,537 (£160,815); and glacé kid, £142,013 (£146,796).

WOOD, CANE, AND WICKER AND MANUFACTURES THEREOF

Imports under this heading were valued at £4,742,284 (£3,609,364), of which the main sources of supply were the United States with £869,343 (£846,857); Finland, £844,397 (£646,594); Sweden, £669,509 (£397,333); Russia, £373,926 (£240,044); and Canada, £350,497 (£261,598).

The principal imports consisted of pine, other, valued at £1,595,527 (£1,116,127), which is an indication of the extensive building and mine development which took place in the Union during the past year.

Imports of boxes and shooks were valued at £615,084 (£364,834); flooring, ceiling (tongued and grooved), £524,506 (£392,191); pitch pine, £234,000 (£307,014); and brushes, £165,926 (£143,021), of which a large percentage came from the United Kingdom, although Canada is obtaining an increasing share. Plywood imports were valued at £163,914 (£130,560).

BOOKS, PAPER, AND STATIONERY

Total imports were valued at £3,687,772 (£2,982,758); the United Kingdom was credited with 49·5 per cent or £1,824,163 (£1,605,449); followed by Sweden with £669,509 (£306,141); Canada, £291,813 (£201,077); and the United States, £270,379 (£234,864). The principal imports consisted of "other printing paper" valued at £647,202 (£438,413); wrapping paper, £588,588 (£389,442); printed books and newspapers, £537,580 (£507,625); newsprint in reels and flat, £363,899 (£292,210); and cardboard, linenboard, and strawboard, £301,343 (£242,056).

With the completion of several paper mills in the Union of South Africa, there is every indication that imports under this group, and especially under the division of cardboard and wrapping paper, will show a considerable decrease in 1939.

JEWELLERY, TIMEPIECES, MUSICAL INSTRUMENTS, AND FANCY GOODS

Imports were valued at £1,863,318 (£1,612,476), the largest proportion of which came from the United Kingdom—46·9 per cent. Other sources of supply were: the United States, £254,195 (£203,152); Germany, £187,498 (£159,981); and Japan, £167,058 (£140,967). The main commodities imported in this group consisted of gramophones and records to the value of £258,901 (£232,774); toys and indoor games, largely from Japan, £255,469 (£222,135); fancy goods, £241,853 (£235,798), over 50 per cent from the United Kingdom; clocks, watches and parts, £231,784 (£205,112); sporting goods, £211,574 (£188,129); and jewellery, £149,074 (£129,255).

MISCELLANEOUS

Total imports under this heading were valued at £2,402,825 (£2,212,025). The commodities consisted largely of detonators and fuses for use in the mining industry to the value of £484,051 (£425,151), almost entirely from the United Kingdom and Germany. Surgical and dental instruments and appliances valued at £289,950 (£226,335) came largely from the United Kingdom; sound films, £210,024 (£229,387), chiefly from the United States; and school and hospital furniture, £164,433 (£152,570).

GOVERNMENT STORES

Government purchases, which are not included in the above table, were valued at £6,063,146 as compared with £5,182,748 in 1936. The United Kingdom supplied to the value of £3,129,439, followed by Germany with £1,468,965; Belgium, £487,222; and Canada, £259,706. The chief government purchase was railway rolling stock valued at £1,383,716, largely from the United Kingdom but also from Germany, the United States, and Belgium. Other items were: telegraph and telephone equipment, £679,951, of which over 50 per cent came from the United Kingdom; locomotives, £570,211, largely from Germany; rails, £658,847, over two-fifths each from the United Kingdom and Canada and the balance from Germany; steel railway sleepers, £403,909, largely from Belgium and Germany; wood sleepers, £168,084, from Australia and Rhodesia; and paper of all kinds, £118,644, chiefly from the United Kingdom.

ECONOMIC CONDITIONS IN THE NORTH OF ENGLAND

H. R. POUSSETTE, CANADIAN TRADE COMMISSIONER

Liverpool, June 6, 1938.—Since the beginning of the year business conditions in the North of England and the North Midlands have become less satisfactory, but so far the setback does not appear to have had much effect upon consumers' goods, as represented by foods. All things considered, the prices of such commodities as bacon and ham, cheese, butter, eggs, canned fish, fruits, and vegetables and of other foods have held up well, and imports of these commodities from Canada have shown little or no decrease, although, if conditions do not improve reasonably soon, prices are likely to ease.

The turnover in one or two commodities has diminished lately, but this is probably due to unwieldy inventories, the result of over-stocking last year in anticipation of a shortage of supplies.

Imports of timber from Canada, as well as from all other countries, have substantially decreased, as shown by the latest United Kingdom statistics.

The rearmament program has assisted considerably in maintaining satisfactory employment conditions, not only in iron and steel, chemicals, and engineering, but also in the building trade.

COTTON

According to a report on the cotton industry covering the first three months of the present year, conditions in the spinning branch are greatly depressed. The Egyptian section is working at 60 per cent of capacity and the American at only 52 per cent.

Large numbers of looms are standing idle, and the local demand for yarns is reduced to small proportions. Conditions are unsatisfactory, with sales falling below the present limited production. There is also a lack of new orders for piece-goods.

RAYON

The rayon industry has been adversely affected by the recession, as indicated by a recent reduction of 20 per cent in its labour force by a large Lancashire concern. Inventories are high, and new orders are coming in slowly. Foreign as well as domestic business is uncertain, but Empire markets seem to be holding up fairly well.

WOOL

The woollen industry is not in a much better position than the cotton trade, with respect to both local sales and exports. This is attributed chiefly to the lack of orders from abroad.

IRON AND STEEL

Owing to the strong demand for iron and steel in 1937, production increased, with the result that stocks began to accumulate until there are at present substantial quantities on hand.

The number of furnaces in blast has been reduced, and a further reduction may be necessary. There seems little likelihood of a change for the better in the iron and allied trades in the near future. Owing to unsettled conditions buyers are disinclined to make new commitments. Duties have been reimposed on pig iron but, owing to the heavy stocks on hand, this is not likely to have much effect for some time. In Sheffield, where trade has been remarkably brisk during the last five or six years, there is a decided scarcity of new business in almost every branch of the steel trade with the exception of the stainless steel section. Plants are busy with orders which had accumulated, but the forward position does not appear to be favourable. Business in the scrap market is quiet.

COAL

Owing to the smaller foreign demand for British coal and also to a decline in industrial activity in this country, the production of coal, as compared with last year, shows a substantial decrease. The output in the month of April was approximately 4,000,000 tons less than in March.

ENGINEERING

Engineering has been one of the last trades to feel the effects of the depression, and business still continues active in ordinary tools and the electric instrument trades and in heavy engineering, but new business is coming forward slowly. Reports from Manchester, Leeds, and Sheffield are more or less similar. Maintained activity so far is due in great measure to orders contingent upon the rearmament program.

BUILDING TRADE

The building trade has continued at a high level of activity, but it is not likely that this position will obtain much longer. The value of building plans passed in one month by 143 local authorities declined by just over 24 per cent

as compared with the same month in the previous year, and by 15 per cent for the first four months of 1938 as compared with the same period of 1937. The slackening in activity has been less marked in residential building than in the construction of factories, shops, and commercial buildings.

SHIPBUILDING

The highly encouraging conditions that prevailed in the shipbuilding industry two or three years ago, and even last year, have undergone a considerable change, attributable to the high cost of materials, and orders for vessels have declined considerably. This situation is offset to some extent by orders for warships, which may help to keep the yards occupied until general conditions once more improve.

BUSINESS CONDITIONS IN EIRE

JAMES CORMACK, CANADIAN TRADE COMMISSIONER

Dublin, June 11, 1938.—Despite an abnormally dry and hot spring, so prolonged as to threaten disaster to pasture, crops, cattle, and water supply, the rains of middle May and up until the time of writing have been sufficiently abundant to warrant a favourable agricultural outlook in Eire. Night frosts and hail have damaged potatoes and fruit to some extent, but crop prospects are relatively good. Spring wheat has been heavily sown, also oats and barley.

Chief commercial interest centres in the trade agreement with Great Britain and in speculation as to its beneficial results on future trade. To date these do not appear to be extensive, but so far as Eire is concerned, livestock prices and demand have improved generally. There has been no very noticeable change in the import trade as yet, but the first announcement has been made of proceedings under the Prices Commission (Extension of Functions) Act, whereby the Minister of Industry and Commerce is empowered to request the commission to review the operation of the customs duties or import restrictions on any particular class of goods and to report thereon. Interested persons are invited to make representations to the commission within a specified period.

EFFECTS OF THE NEW TRADE AGREEMENT

Business generally has been adversely affected by the new agreement, as merchants are reluctant to buy more than the minimum quantities required, on account of the possibility of a reduction in import duties.

To remove uncertainties among the trades concerned, the Prices Commission states that no report will be made to the Minister for Industry and Commerce earlier than October 10, 1938—that is, four months following the announcement of their intention to review the operation of the customs duties and prices in respect of the first list of articles.

The public is chiefly interested in the effects of the action of the Prices Commission on the cost of living occasioned by the high protection accorded new local industries. The latest official index number is 173 as against 100 in June, 1914.

An announcement of an increase in the compulsory motor accident insurance has just been published. As from July 1, the rates for private cars will be increased by 15 per cent and for other types by 20 per cent. Certain classes of workmen's compensation rates (particularly those for farmers and builders—the larger items) are also to be subject to increases not yet specified. Clerical, travellers', clothing manufacturers', and licensed vintners' rates are to be reduced.

POSTAGE RATE TO BRITISH MALAYA

The Canadian Trade Commissioner in Singapore reports that he has received a number of complaints from firms in that city and elsewhere in British Malaya with regard to insufficient postage on first-class mail matter from Canada, as a result of which heavy penalty charges must be paid.

Canadian firms are requested to note that all first-class mail from Canada to British Malaya is now carried via England and thence by Imperial Airways to its destination. The letter rate is six cents per half-ounce, and firms should carefully check the postage on all letters and first-class covers in order to save their correspondents in Malaya unnecessary expense and annoyance.

FOREIGN TRADE OF SARAWAK IN 1937

B. C. BUTLER, CANADIAN TRADE COMMISSIONER

(All values in Straits currency: S\$1 equals 58 cents Canadian at present exchange)

Singapore, May 30, 1938.—The State of Sarawak, on the northwest coast of Borneo, comprises an area of 50,000 square miles. It is a native state with a population of 445,000, of which less than 500 are Europeans.

The principal products of Sarawak, with the exception of estate-grown rubber and petroleum products, are native-grown and consist of sago flour, white and black pepper, cutch, jelutong, dammar, rattans, palm oil, and illipe nuts.

Statistics show a favourable trade balance of \$9,791,832 for the year as compared with \$6,296,316 for 1936. Total foreign trade, excluding treasure, was valued at \$55,590,662, an increase of \$12,771,276 or 29·8 per cent over the 1936 figure of \$42,819,386.

EXPORTS

Exports increased by \$8,133,396 to \$32,691,247 from \$24,557,851 in 1936. The principal items contributing to this increase were: plantation rubber, liquid fuel, gas oil, benzine, ironware, kerosene oil, sago flour, refined jelutong (chicle), and pepper.

IMPORTS

There is no record of sources of supply in Sarawak statistics, but Singapore is the entrepôt through which most of the trade of Sarawak passes. Imports increased in value by \$4,637,880 to \$22,899,415 as against \$18,261,535 in 1936. Included in this total are the following items of interest to Canadian manufacturers, with values for the past three years:—

Principal Imports into Sarawak

	1937	1936	1935
Biscuits	\$230,456	\$191,289	\$127,781
Butter and cheese	32,815	30,394	21,347
Confectionery	47,057	39,313	35,030
Cycles, motor cycles and accessories	122,503	108,822	81,323
Drugs and medicines	257,565	210,199	194,514
Electrical goods and apparatus	158,163	142,133	138,035
Fish, dried and salted	256,553	192,705	167,074
Fish, in tins	114,561	82,136	68,449
Flour	206,851	186,286	145,602
Fruit, fresh	93,572	67,317	47,055
Fruit, dried and preserved	50,697	43,207	38,447
Fruit, in tins	30,620	19,061	14,320
Leather	11,390	9,552	9,150
Macaroni and vermicelli	38,988	28,136	24,843
Milk, condensed and sterilized	530,896	446,253	351,752
Motor lorry and car	136,021	72,539	71,305
Motor accessories	53,148	51,371	46,015
Paint, varnish and tar	78,971	65,060	72,819
Paper	110,664	67,407	57,555
Vegetables, salted and preserved	97,161	96,154	86,381
Vegetables, in tins	56,628	40,933	30,120
Zinc sheeting	39,489	24,204	15,288

FISH AND MARINE ANIMAL OILS IN THE UNITED STATES

R. G. C. SMITH, ASSISTANT TRADE COMMISSIONER

(One U.S. gallon, used throughout this report, is equal to 0.834 Canadian gallon)

New York, June 9, 1938.—During the last few years fish oils have been used to an increasing extent in the United States. Except for cod oil and cod liver oil, however, this increase has been accounted for entirely by oils of domestic manufacture. Similarly, whale oil importations have been practically eliminated since 1934, and domestic production appears to have increased remarkably in the last two years to meet the demand.

The following table reflects the trend over a number of years of the use of fish (including cod and cod liver) oil and marine animal oils (mostly whale) in the principal consuming industries. The figures represent the fish oil percentages of the factory consumption of all oils, tallows, and greases:—

Percentage Consumption of Fish Oil

	Compounds and Vegetable			Paint and Varnish		Soap		Total U.S. Factory Consumption	
	Miscell. Industries	Short- ening	Fish	Fish	Whale	Fish	Whale	Fish	Whale
	Per Cent	Per Cent	Per Cent	Per Cent	Per Cent	Per Cent	Per Cent	Per Cent	Per Cent
1931	8.9	1.6	3.7	4.2	4.9	3.2	1.9		
1932	8.5	1.4	2.9	3.6	3.5	2.8	1.5		
1933	9.6	0.95	3.0	4.0	3.4	3.0	1.3		
1934	9.7	0.89	3.5	4.4	2.3	3.1	0.9		
1935	12.3	1.8	7.2	8.4	2.1	4.9	0.7		
1936	12.3	2.5	5.4	9.2	2.3	5.2	0.7		
1937	12.2	1.3	6.0	8.4	4.4	4.6	1.4		

In the foregoing table whale oil used in paints, compounds and vegetable shortenings, and in miscellaneous industries is included with fish oil. Actually, nearly all the whale oil consumed goes into the manufacture of soap, so that it may be ignored as a factor in the others. In the miscellaneous column would be included medicinal and animal feed cod liver oil, cod oil for tanning, and fish oils for the linoleum industry.

DECLINE IN IMPORTS

Prior to 1934 annual imports of herring oil averaged about 30,000,000 pounds, mostly from Canada and Japan, whereas whale oil imports usually amounted to 50,000,000 pounds. In that year, on May 11, a processing excise tax on imported oils (excluding cod and cod liver oil) was levied at the rate of 3 cents per pound. This tax, added to the old duties of 5 cents per gallon (0.666 cent per pound) on fish oil and 6 cents per gallon (0.8 cent per pound) on whale oil, and 20 per cent ad valorem on other marine animal and fish oils, which are still in effect, virtually eliminated the importation of fish and whale oils.

It is interesting to note that the effect of this tax was not to reduce the use of fish oils but rather to increase the production of domestic sardine oil from California. Thus the table shows a sudden increase in the proportion of fish oils consumed by every branch of industry using the product in 1935, a year during which the total factory consumption of all oils, tallows, and greases increased by nearly 9 per cent as compared with the previous year.

HERRING AND SARDINE OIL

The production of herring oil from Alaska, Maine, and Chesapeake Bay (the latter from alewives) has not increased to the same extent as that of sardine

oil. From 1925 to 1933 production ranged between 17,000,000 pounds and 26,000,000 pounds. For the period 1934-36 this has increased to an average of about 28,500,000 pounds per annum. However, the main increase in the United States fish oil production has been in California sardine (or pilchard) oil. The production over a period of years was erratic, running between 16,000,000 and 77,000,000 pounds for the years 1925 to 1933, with an increasing trend. However, in 1934, production rose sharply to over 156,000,000 pounds, increasing steadily to 196,200,000 pounds in 1936.

The production of sardine oil begins at the end of August and runs through to the end of December. In 1937 production fell off appreciably because of labour troubles at the beginning of the season and finally because of small runs of fish. Thus the combined production of herring and sardine oil in 1937 was 153,000,000 pounds as compared with 224,700,000 pounds in the previous year. The full effect of this lower production will only become apparent this year, and reference to the foregoing table discloses but a relatively small falling-off in 1937.

Actually the elimination of imports of fish oils does not appear to be solely the result of the 1934 tax, since in 1932 there was a decided drop in imports, followed by a reduction to one-sixth of the 1931 figures in 1933, a year when domestic production was almost doubled. Despite the lower production of fish oils in 1937, there has been no return to imports, the increase in the supply of tallow and generally slower industrial activity offsetting any shortage.

MENHADEN OIL

Menhaden oil has never been imported into the United States in any quantity, and its production over a period of years has been fairly constant. It is produced on the Atlantic seaboard from Florida to as far north as Long Island Sound. For the period 1925-29 the production of menhaden oil averaged about 32,000,000 pounds (7.74 pounds to the gallon), as compared with an average of about 27,000,000 pounds for 1931-37, 37,800,000 pounds in 1936, and 25,926,000 pounds in 1937. It is used largely for soap, and to a lesser extent in certain paints.

Up to 1929 menhaden oil was generally produced in greater quantities than either herring or sardine oil, but it has since become of secondary importance. Apart from the increase in the sardine oil production, menhaden oil is no longer regarded as favourably as other fish oils because of a falling-off in the iodine content requisite for quick-drying qualities. Previously the iodine content of menhaden oil reached 1.75 to 1.80 by the WIJS machine, but due probably to a change in feeding grounds, it has recently been only 1.65 as compared with 1.80 or 1.85 for sardine oil.

WHALE OIL

Production of whale oil, obtained from the whaling stations on the Pacific coast, averaged about 10,000,000 pounds per annum for the period 1925-29, when imports totalled about 50,000,000 pounds annually, mostly from Norway. Subsequently production fell slightly to average about 6,500,000 pounds per year, imports holding up until 1934, when they fell to 15,800,000 pounds, with the imposition of the tax, and to 20,793,000 pounds in 1935. In 1936 and 1937 production increased suddenly to 29,650,000 pounds and 62,217,000 pounds respectively, imports amounting to 17,602,000 pounds and 54,750,000 pounds respectively.

In regard to these latter figures the position is not altogether clear, but it is probable that the increase in production represents output from the operation of floating whale factories under the United States flag.

Imports of whale oil have practically ceased since 1934, and the import figures since that date are difficult to understand. In 1935 the principal user brought in a large supply of whale oil in anticipation that the tax would be removed; eventually the tax had to be paid, and imports in 1935 may be partially explained by this shipment. In 1936 tallow prices were abnormally high and some whale oil may have been imported, but even allowing for higher tallow prices, the prohibitive tax makes it difficult to account for any importations.

Finally, the abnormally large imports shown for 1937 are only preliminary figures, and there is no doubt that there is some confusion here, and it is possible that the imports are entirely included in the production figures. The recently adopted tax revision bill requires that to qualify as domestic producers, and thus avoid the 3-cent tax, factory ships on the United States registry must be fed by killer boats under the same registry. As there are none of these, it would appear that the use of whale oil will be greatly curtailed in the future.

CONSUMPTION AND PRICES

The following table gives the actual production of fish oils, plus imports (which have been insignificant since 1934) for a number of years. These figures do not include cod liver or cod oil, which will be dealt with separately, and, while they may be accepted as the consumption figures over a long period, they have no connection with the previous table, which is based on actual factory consumption and includes all fish oils:—

United States Consumption of Fish Oils

	Herring and Sardine	Menhaden	Pro- duction Figures in 1,000 Pounds	Whale Imports	Fish Oil Exports	Total Con- sumption
1925-29	74,584	32,015	10,058	50,183	....	166,840
1931	78,152	16,148	.....	81,197	1,598	178,356*
1932	76,354	23,198	6,008	42,136	1,477	146,219
1933	105,990	25,892	4,270	43,000	5,849	173,303
1934	186,368	27,950	7,957	15,800	6,364	231,711
1935	192,409	31,425	8,572	20,793†	3,276	249,923
1936	226,014	37,800	29,650	17,602†	2,154	308,912
1937	154,254	25,926	.....	.....	1,949	.....

* Estimate. † See foregoing remarks.

Thus, in the course of five years the consumption of fish oils—excluding cod and cod liver oils—has nearly trebled. During this period stocks of fish oils have not shown any accumulative tendency, but the level of whale oil stocks has been somewhat reduced since 1934. During 1936 fish oil stocks totalled between 100,000,000 pounds to 160,000,000 pounds, which represents a fair average level. However, the reduction in the 1937 sardine oil production is shown by the end-of-year stocks of 106,381,000 pounds, which is the lowest figure for five years.

FACTORS AFFECTING CONSUMPTION

The steady increase in the use of fish oils in recent years is in part the result of improved manufacturing processes and better equipment at the primary source of production of the crude oil. Thus the types of soap for which fish and whale oil may be used have been gradually extended. However, they still may displace tallow to only a limited extent in soap, and linseed oil to a lesser extent in paints, and within these limitations their use is governed by the prices of tallow and linseed oil respectively. The relative shortage of tallow during the years of increasing production of fish oils, fostered by the 1934 tax, coinciding with the modern improvements in the purifying of the oils, combined to bring about the increase in consumption shown in the foregoing table.

At the present time, with tallow selling in New York at $4\frac{3}{4}$ cents per pound and small stocks of fish oil available from last year's reduced production, there is little fish oil going into soap manufacture. It is estimated that the hardening of fish oils to bring them to a level of usefulness with tallow costs from 1 to $1\frac{1}{2}$ cent per pound. The nominal prices of California sardine oil delivered to New York is $5\frac{1}{4}$ cents per pound as compared with an average price during the season of about $5\frac{1}{2}$ cents (the spread between Pacific coast quotations and New York is three-quarters of a cent per pound).

COD LIVER OIL

There is no duty or tax on cod liver oil, and unlike the other fish oils, this trade is still on an import basis. Domestic production is as yet unimportant, reaching 284,000 gallons in 1936, the highest figure recorded. Imports show a steady and fairly rapid increase in recent years, so that the 1937 record of 5,916,000 gallons is more than double the average of 2,190,000 gallons for the 1925-29 period and compares with 5,790,000 gallons in 1936 and 4,607,000 gallons in 1935.

Norway usually accounts for at least half of the supply, with Iceland and the United Kingdom becoming increasingly important in recent years. Canada ships only a minor quantity of cod liver oil—55,232 gallons in 1936, 53,189 gallons in 1935, and 104,790 gallons in 1934.

New York is the principal distributing centre for cod liver oil. Many of the large importers and some of the more important drug houses operate factories in Norway. Some of the importing houses put up their own brands of medicinal oil and also job the bulk oil to smaller packers. In addition to these branch offices, many shippers operate through agents or brokers on commission.

The bulk of the cod liver oil is filtered before importation and is ready for bottling for retail distribution, but there are some unfiltered shipments from Iceland. Oil from that country is considered superior to all others and to have a higher vitamin content. Oil from the United Kingdom is used to a great extent in poultry feeds as well as for medicinal purposes.

Medicinal cod liver oil is being quoted at from \$26.50 to \$27.50 per drum of 30 gallons, ex warehouse New York. These prices represent small sales from stocks, and lower quotations could be obtained by consumers for direct importation or for large supplies from local stocks.

COD OIL

Cod oil is produced in the United States in only small quantities, so that this trade is also dependent on imports. There is no duty or tax on cod oil.

For the period 1925-29 imports averaged 1,991,000 gallons. In the following years they showed a tendency to increase, although the trade is fairly steady. The following table shows the imports from the leading sources of supply over a period of years:—

Imports of Cod Oil

	1925-29	1934	1935	1936	1937
		Figures in 1,000 Gallons			
Total	1,991	1,459	2,678	2,800	2,954
Norway . . . . .	....	825	1,086	1,553	....
Germany . . . . .	....	56	246	426	....
Newfoundland . . . . .	....	132	666	271	....
Canada . . . . .	....	98	215	262	....
Japan . . . . .	....	101	233	174	....
United Kingdom . . . . .	....	176	140	20	....

Normally, Newfoundland oil is preferred to the Norwegian product on account of its uniformity of quality and colour, but in recent years the price of Norway oil has been considerably under other quotations.

Boston, New York, and Philadelphia are all important consuming centres for this oil, which goes into the tanning trade almost exclusively. The bulk of the Canadian oil is shipped to Boston. European oil is generally sold by agents operating on a commission basis of 2 per cent.

Current prices of Norwegian cod oil c.i.f. Atlantic ports, including agents' commission, are as follows per 100 gallons: free fatty acid, 2 per cent, \$34.50; ffa, 10 per cent, \$27.25; ffa, 15 per cent, \$26.75; ffa, 25 per cent, \$26.25.

Generally speaking, cod oil is not readily displaced by other oils, so that consumption is almost directly dependent on the conditions in the sole leather market.

FOREIGN TRADE OF CUBA IN 1937

C. S. BISSETT, CANADIAN TRADE COMMISSIONER

(All values are in Cuban pesos; one peso is equivalent to \$1 United States and Canadian)

Havana, May 30, 1938.—A marked advance in the value of both imports and exports was recorded in Cuban trade during 1937 as compared with the previous year. The increase in the case of exports was 20.16 per cent and in imports 25.54 per cent. The total export values for these two years were \$186,071.036 and \$154,846,769 respectively; import values were \$129,572,117 and \$103,215,001 respectively.

BALANCE OF TRADE

The visible balance of trade in both years constituted a high percentage of the total imports and amounted to \$56,498,919 in 1937 as compared with \$51,631,768 in 1936. Cuba, however, requires this high relative balance in order to liquidate current invisible imports. To a large extent both industry and agriculture, particularly sugar production, are financed by foreign capital, and a noteworthy percentage of this balance goes abroad every year in the form of dividends.

The banking services of the country are principally of foreign origin; the same applies to existing insurance services. Cuba's merchant marine is not important, and that under local registry operates almost exclusively in coastal waters. Together with the payments to cover the public debt held abroad, those covering the above-mentioned services offset a large portion of the favourable balance of trade. However, an invisible export which partially corrects this situation is the returns from the annual tourist trade, which in 1937 were estimated at \$16,000,000.

GENERAL TRADING CONDITIONS

On the whole, Cuba may be said to have had a profitable year in 1937. During the first nine months there was considerable optimism as to the future trend of commerce, and plans for the expansion of industry were prevalent. An excellent tourist year was anticipated and, although it did not come up to expectations, the returns exceeded those for 1936. Improving world conditions at that time forecast a continuance of the comparatively prosperous economic situation which had prevailed during the preceding two years.

However, the recession in business in the United States in the last two or three months of the year had an adverse effect on practically all branches of Cuban business. In 1937 the United States absorbed almost 81 per cent of Cuba's total exports and provided over 68 per cent of the total imports, and any change in the business trend in that country is communicated rapidly to commercial circles in Cuba. Sugar prices, Cuba's commercial barometer, began a continuous decline, and at present are at the lowest point in several years, a highly unsatisfactory condition and one which may have far-reaching adverse effects on the country as a whole if there is not an early improvement.

A persistent drought, which still prevails in some sections of the island, began in the early months of the year under review, curtailing production somewhat and causing some distress in the areas concerned. In the latter part of the year collections slowed down, and the credit situation became slightly less healthy. At present it is rated as easy but slow. Politically, the country enjoyed a tranquil year.

FOREIGN TRADE

The following table, published in the *American Chamber of Commerce Bulletin*, illustrates the violent fluctuations in Cuba's import and export trade since 1927:—

Year	Exports	Imports
1928	\$278,070,000	\$212,817,000
1929	272,440,000	216,215,000
1930	167,410,000	162,452,000
1931	118,865,000	80,111,000
1932	80,672,000	51,024,000
1933	84,391,000	42,360,000
1934	107,746,000	73,418,000
1935	128,017,331	95,464,502
1936	154,805,138	103,215,001
1937	186,071,036	129,572,117

The marked contraction in both trade branches, due to the recent depression and to the subsequent political disturbances in Cuba, is shown in the above table. Even considering the great economic progress made in the island since 1932-33, it is evident that the total trade of the country last year was only some two-thirds as valuable as during the 1928-29 period.

EXPORTS

With the exception of the figures for Cuban-Canadian trade, which were obtained specially, no statistics are available covering single commodities or commodity groups in either the export or import sections for 1937; these will not likely be published until the beginning of next year. However, the total values in both categories for the principal countries are available, and these provide useful information on the trade trend in Cuba during 1937.

The following table gives the value of the exports to all those countries which purchased Cuban produce to a value in excess of 500,000 pesos, together with comparative figures for 1936:—

Cuban Exports to Principal Countries

	1937	1936
United States	\$150,148,819	\$121,898,787
United Kingdom	20,010,936	19,881,337
Germany	3,135,890	2,405,994
Belgium	2,389,352	364,073
France	2,304,295	2,555,898
Sweden	922,659	318,560
Holland	829,197	1,207,456
French Morocco	665,136	572,106
Canada	662,178	223,089
Spain	609,986	1,154,672
Argentina	556,694	415,750
All others	3,835,894	3,849,047
Totals	\$186,071,036	\$154,846,769

The increase in exports, as shown by the above figures, for 1937 amounted to 20·16 per cent as compared with the previous year.

The United States is by far the most important purchaser of Cuba's products, having absorbed 80·7 per cent of the total exports. About 75 per cent of the total value was accounted for by sugar and sugar products, which are accorded

a preferential market under the Cuban-United States Trade Treaty. The importance of this treaty to Cuban economy cannot be over-estimated, since without this assured preferential market conditions in the sugar industry, which accounts for some 80 per cent of the total exports of the country, would be most unfavourable. The treaty became operative on September 4, 1934, and is mainly responsible for the successively large increases in Cuba's exports to the United States, which for the year under review exceeded those for 1936 by 23·2 per cent.

The United Kingdom took 10·7 per cent of Cuba's total exports, mainly sugar and tobacco products, and is second in importance among purchasers of Cuban products. Exports to the United Kingdom remained practically stationary, whereas those to some other countries increased considerably. Respective increases were: Germany, 30 per cent; Belgium, 556 per cent; Sweden, 190 per cent; French Morocco, 16 per cent; Argentina, 34 per cent; and Canada, 197 per cent. Countries showing decreases, with the respective percentages, were: France, 10 per cent; Holland, 31 per cent; and Spain, 47 per cent.

The considerable increases in the exports to some of the countries mentioned above were mainly due to the operation of Cuban Law No. 14, which requires all countries to purchase a minimum of 50 per cent of their sales to Cuba in order to obtain the benefits of the Cuban minimum tariff.

IMPORTS

The following table shows the imports from all countries which supplied goods to Cuba in excess of 1,000,000 pesos in value in 1937, with comparative figures for 1936:—

Cuban Imports from Principal Countries

	1937	1936
United States	\$ 88,846,617	\$ 66,494,245
United Kingdom	6,321,328	5,096,134
Germany	5,845,136	4,797,782
Siam	4,285,055	5,862,449
British India	3,154,075	2,807,758
France	2,897,195	2,604,561
Dutch West Indies	1,900,119	1,758,474
Spain	1,854,157	3,494,168
Belgium	1,825,476	1,025,108
Mexico	1,509,534	1,149,231
Chile	1,209,545	965,121
Indo-China	1,167,355	321,092
Holland	1,043,476	1,318,518
Canada	1,011,147	979,754
All others	6,701,902	4,540,606
Totals	\$129,572,117	\$103,215,001

The total value of imports in 1937 was greater by 25·54 per cent than for 1936. With the exception of Siam, Spain, and Holland, all the main supplying countries shared in this increased trade. The drop in Siam's sales was due to rice having been removed from the list of articles of prime necessity, which are accorded minimum tariff rates whatever their origin. The result was higher duties on Siamese rice and a new tariff concession on the southern United States product. Spain's decreased sales were, of course, due to the effects of the Spanish civil war.

As in the case of exports, the United States led all other countries in Cuba's import trade; that country's share of the total value of merchandise brought into the island in 1937 was 68·6 per cent, representing an increase of 33·6 per cent as compared with 1936. With preferential discounts, ranging from a minimum of 20 per cent to a maximum of over 87 per cent, on every item in the customs tariff, as arranged under the above-mentioned treaty, United States exports to Cuba in the year under review were almost four times as great in

value as in 1933. The much better economic conditions in Cuba since that year are, of course, responsible in part for this increase, but the tariff preferences played a most important part in placing the United States in a position not even closely approached by any of the other chief supplying countries.

The United Kingdom and Germany, with increases respectively of 24 per cent and 22 per cent, were more or less in line with the total import increase for the year. The other main suppliers improved their total figures as follows: British India, 12 per cent; France, 11 per cent; Dutch West Indies, 8 per cent; Belgium, 78 per cent; Mexico, 30 per cent; Chile, 25 per cent; and Indo-China, due to the diversion of rice purchases from Siam, 264 per cent.

The countries showing decreases were: Siam, 27 per cent; Spain, 47 per cent; and Holland, 21 per cent.

CUBAN-CANADIAN TRADE IN 1937

For the last nine months of 1936 and throughout 1937 all Canadian products, with a few exceptions such as dried cod fish, malted barley, seed potatoes, and newsprint, were subject to Cuban maximum tariff rates. Almost all of the chief suppliers to Cuba were accorded during the same period the Cuban minimum tariff rates, which are exactly half of the maximum rates, and in addition the United States enjoyed very substantial discounts from these minimum rates or from prevailing treaty rates, whichever were lower. Under the circumstances, it is noteworthy that Canadian exporters, despite the tariff handicap, were able to increase their sales slightly in the year under review as compared with 1936.

In order that any country be accorded the rates of the minimum tariff, such country's purchases of Cuban national products must have totalled during the preceding calendar year at least 50 per cent of its sales to Cuba during that same period. Almost all of Canada's chief competitors last year were in this favourable tariff category, giving them a corresponding tariff advantage. However, due to increased purchases of raw sugar in 1937, Canada was accorded the minimum tariff in April of the present year, and a noteworthy increase in the sale of Canadian products generally is expected during 1938.

The figures of Cuban-Canadian trade quoted hereunder are those issued officially by the Cuban Department of Statistics. They vary considerably from those issued by the Dominion Bureau of Statistics at Ottawa. This variation is due mainly to the difficulty of recording accurately the origin of imports from and the destination of exports to Canada when these are handled through United States ports. The time lag between dates of despatch and arrival at the end of the statistical year also has a bearing on the differences in total figures as issued by the two countries.

FACTORS AFFECTING TRADE

Since 1932 Canada's exports to Cuba have remained fairly close to the million-dollar mark. The depression years, and the political troubles during the same period, adversely affected sales to this country, and the conclusion of the Cuban-United States Trade Treaty in 1934 made it difficult for Canadian exporters to take advantage of Cuban increased purchasing power in 1935. Early in 1936 imports from Canada were made subject to the Cuban maximum tariff, which effectively shut out almost all those products which were either not on the free list or given permanent minimum tariff treatment.

The following table shows total imports from and exports to Canada for the 1932-37 period according to Cuban official figures:—

Year	Imports	Exports
1932	\$1,076,001	\$600,178
1933	891,374	531,032
1934	1,196,005	520,919
1935	1,171,570	255,222
1936	979,754	223,089
1937	1,011,147	662,178

The export figure for 1937 includes re-exported products to a value of \$719, leaving a net balance of \$661,459 for Cuban national products.

Canada's favourable balance of trade for the year amounted to \$348,969.

EXPORTS TO CANADA

The following table shows the quantities and values of the chief articles exported to Canada, with comparative figures for 1936:—

Principal Exports to Canada

	Unit	1937		1936	
		Quantity	Value	Quantity	Value
Total			\$662,178		\$223,089
Crude sugar	lb.	27,805,304	336,637	5,729,178	54,568
Leaf tobacco, unstemmed.	kilo	95,527	106,320	56,652	51,548
Salted hides	kilo	185,104	68,829	.....	.....
Leaf tobacco, stemmed	kilo	61,554	65,520	51,704	53,096
Cigars	thous.	388	30,994	351	29,000
Inverted syrups	gal.	185,667	21,435	220,699*	6,040
Rum, bottled	litre	6,112	10,690	3,118	5,906
Pineapples	kilo	458,119	6,681	.....	.....
Henequen fibre	kilo	53,931	5,915	4,420	580
Tomatoes	kilo	53,795	2,833	249,576	9,484
Sawn mahogany	ft. b.m.	18,613	1,861	12,913	1,125
Sugar, refined	lb.	100,000	1,700	.....	.....
All others			2,763	.....	11,742

* Kilograms.

Considerably greater purchases of the first three items in the above table, particularly crude sugar, were responsible for the marked rise in the value of the products exported to Canada in 1937. Raw sugar prices in August and September were sufficiently low to offset the preference on Empire sugar and make possible these purchases. The only item showing a reduced value was fresh tomatoes.

Included in the miscellaneous items of export for 1937 are: honey, \$73; mahogany logs, \$42; furniture, \$65; grapefruit, \$360; eggplant, \$9; cut tobacco, \$9; sponges, \$819; lithographs, \$593; books, magazines, etc., \$74; and re-exports, \$719.

IMPORTS

The following table shows the chief items imported from Canada during the year under review, with comparative figures for 1936:—

Principal Imports from Canada

	1937		1936	
	Kilos	\$	Kilos	\$
Total		1,011,147		979,754
Seed potatoes	10,071,664	400,523	10,019,938	474,086
Codfish	1,946,136	248,044	2,248,846	219,439
Malting barley	1,915,279	196,447	470,335	38,450
Newsprint	1,154,301	48,841	2,979,586	115,355
Nickel and aluminium bars	32,189	16,374	24,803	11,467
Fertilizers, artificial	458,439	15,228	82,973	2,422
Portable machines	6,646	13,970	2,361	4,315
Electric meters	12,354	12,449	2,653	2,717
Rough lumber	263,039	11,035	64,590	2,773
Calcium carbide	190,885	10,212	397,471	19,930
Sewing-machine parts	504	9,996	445	12,696
Telephones	500*	4,039	.....	.....
Aluminium powder	4,092	3,187	1,560	1,011
Inedible tallow	22,130	1,905	5,432	532
Nickel and aluminium wire	3,300	1,865	7,167	5,037
Letterheads	1,532	1,699	1,538	1,486
Dried fish n.e.e.	14,173	1,490	38,126	3,332
Electrical parts	309	1,054	140	287
All other		12,789	.....	64,419

* Number.

Although the above totals show but little difference as between the two years, Canadian statistics indicate an increase of around 25 per cent for 1937 as compared with the previous year. Most of the items show increases, although in the case of the most important of all, seed potatoes, this was confined to volume. Again, dried codfish showed better returns for the total value only, since the volume dropped appreciably. The greatest relative gain was in malting barley, which is expected to maintain the same volume in 1938. The decrease in newsprint sales is a statistical one only, due to the routing of shipments of this commodity whereby its true origin was lost. Actual Canadian sales amounted to around \$660,000 during the year under review.

The foregoing four items constitute the bulk of Canadian trade with Cuba. They were exempt last year from the adverse effects of the application of the maximum tariff to Canadian products, since seed potatoes and newsprint enter free of duty and malting barley and dried codfish are classed as "articles of necessity" and are therefore dutiable at minimum tariff rates. Imports of all the other items should show appreciable increases in 1938 under the better tariff treatment now accorded them.

SECOND OFFICIAL ESTIMATE OF ARGENTINE CORN CROP

Mr. J. A. Strong, Canadian Trade Commissioner at Buenos Aires, writes under date June 9, 1938, that the second official estimate of the 1938 corn crop, as issued by the Department of Agriculture, places production at 178,618,500 bushels from 15,317,976 acres planted. It is estimated that 7,929,686 acres of the area originally planted was lost or used for pasture. The present estimate may be compared with the first official estimate of 176,850,000 bushels issued on April 8, and is 50.2 per cent below the crop harvested in 1937 and 48.3 per cent below the last five-year average of 345,790,024 bushels.

Early frosts and subsequently severe drought conditions accounted for the large acreage of corn abandoned this year. Heavy rains during and after harvest are delaying the export movement of corn.

AUSTRIA'S AGRICULTURE WITHIN THE FRAMEWORK OF GREATER GERMANY

B. A. MACDONALD, ASSISTANT TRADE COMMISSIONER

Berlin, June 8, 1938.—Under the above title an interesting article recently appeared in the "Bulletin of the Hamburg World's Economic Archives" concerning the effect which the union of Austria with Germany may be expected to have on the agricultural economy of the enlarged state. The writer points out that the majority of commentators on this subject have begun by adding Austria's imports and exports of food to those of Germany, and then, because of the former's large fodder imports, drawing the conclusion that a slight reduction rather than an improvement would take place in the food supply of the new Germany.

He then proceeds to explain that such a conclusion may not be justified, due to the fact that the present standard of Austrian farming is appreciably below that of Germany, leaving an important margin for improvement. A résumé of the writer's main points follows.

COMPARISON OF AUSTRIAN AND GERMAN YIELDS PER HECTARE

The following table shows the lower yield per hectare (2.47 acres) which has characterized the production of principal crops in Austria as compared with Germany:—

Average Yields in Austria and Germany, 1924 to 1933

	Austria Tons per Hectare	Germany
Rye	1.38	1.64
Oats	1.34	1.86
Wheat	1.51	2.05
Barley	1.55	1.93
Sugar beet	24.38	26.73
Potatoes	12.48	14.49
Beet	28.27	35.75

The lower Austrian yields are attributed chiefly to the relatively smaller amount of fertilizer used in that country. However, it is stated that German fertilizers are now available to Austrian farmers at reduced prices, and resulting benefits may be expected in the near future, probably within the present year.

DISTRIBUTORS OF LIVESTOCK

The following table shows the number of domestic animals, poultry, etc., in the two areas. While the number of animals per 100 inhabitants is greater in Austria, the number per 100 hectares is higher in Germany.

	Germany			Austria		
	Total Millions	Number per 100 Persons	Number per 100 Hectares	Total Millions	Number per 100 Persons	Number per 100 Hectares
Horses	3.36	5.2	11.45	0.26	3.9	5.97
Cattle	19.20	29.4	65.42	2.35	34.7	53.74
Cows	10.12	14.5	34.50	1.21	18.0	27.90
Pigs	23.17	35.5	78.95	2.82	41.7	64.60
Sheep	3.48	5.3	11.87	0.26	3.9	6.02
Goats	2.49	3.8	8.50	0.33	4.8	7.47
Hens	85.85	88.0	195.38	8.68	128.3	198.95
Ducks	2.73	4.2	9.29	0.10	1.4	2.29
Geese	5.84	9.0	19.90	0.09	1.3	2.14
Beehives	2.00	3.1	6.82	0.41	6.0	9.32

While noting that statistics on Austria's former meat production indicate only that it was insufficient for her needs, the writer of the article states that, in view of the extensive pasture land and the opportunity now offered for its intensive utilization, cattle raising is capable of extensive development in the new German territory.

OTHER AGRICULTURAL PRODUCTS

In addition to the points covered above, the writer states that, due to climatic conditions or for other reasons, the yields of certain plants are much higher in Austria than in Germany. Among these are several legumes such as horse beans, peas, and vetch, and a few oleaginous fruits such as rapeseed, rubsen, and of late, soya beans. In view of Germany's shortage of fats and albumens, Austria's contribution of these products is of particular value.

The article concludes as follows:—

If Austrian farming is regarded within the framework of Greater Germany not only from the standpoint of the present situation but considering at the same time the possibilities of development, it presents a much more positive aspect. This, too, will still be the case if the food consumption in Austria shows a rising curve after the reunion as a consequence of the further economic improvement and its resulting reduction of unemployment.

TURKEY IN 1937

HENRI TURCOT, CANADIAN TRADE COMMISSIONER

[One Turkish pound (£tq.) equals approximately \$0.80 Canadian]

Cairo, May 23, 1938.—The following brief review, based on information recently issued by the Ottoman Bank at Istanbul, is supplementary to a report dealing with the chief features of Turkish national economy during 1937, which was published in *Commercial Intelligence Journal* No. 1792 (June 4, 1938), page 917.

PUBLIC FINANCE

BUDGET

The 1936-37 budget closed on May 31, 1937, with the provisional figures for ordinary revenue at £tq.240,900,000, and those for extraordinary revenue at £tq.32,200,000, as against ordinary expenditure of £tq.254,200,000. The ordinary receipts for 1936-37 (£tq.240,900,000) showed an increase of £tq.40,400,000 over those of 1935-36 (£tq.200,500,000), or £tq.30,000,000 if account is taken of additional revenue (£tq.10,400,000) in 1936-37. Compared with the estimates for the year (£tq.212,800,000), the actual receipts indicate a surplus of £tq.28,100,000, arising chiefly from customs dues, monopolies, and transaction and consumers' taxes. In view of these satisfactory results and of the constant advance in the revenue of the State, the budget for 1937-38 has been estimated at £tq.231,000,000, an advance of £tq.18,200,000 over the previous budget figure.

The progressive increase in revenue continued at the same satisfactory rate during the first eight months of the current fiscal year (June 1, 1937, to January 31, 1938), when receipts amounted to £tq.182,800,000 as compared with £tq.164,500,000 in the corresponding period of 1936-37, a gain of £tq.18,300,000. The receipts during this period represented 80 per cent of the estimate (£tq.231,000,000), from which it is expected that the current budget will close with a satisfactory surplus. Since no new fiscal charge was imposed in 1937-38, the increase in the revenue must be attributed exclusively to the economic progress of the country.

MONOPOLIES

The net profits from the monopolies taxes for 1936-37 amounted to £tq.34,767,000, in comparison with £tq.32,863,000 in 1935-36. For the first six months of the present fiscal year the monopolies taxes amounted to £tq.20,032,000 as against £tq.18,201,000 for the corresponding period of the preceding fiscal year.

STATE RAILWAYS

In 1936-37 the surplus of State Railways receipts (£tq.30,718,000) over expenditure (£tq.24,216,000) amounted to £tq.6,502,000. This compares with receipts of £tq.22,597,000, expenditure of £tq.22,518,000, and a surplus of £tq.79,000 in the preceding fiscal year. The advance is attributed chiefly to the economic recovery of the country. The increase in railway receipts continued during the current year.

CURRENCY

In 1937 the Turkish pound maintained its stability, due to supervision and control of exchange transactions.

INDUSTRY

The first five-year program, the execution of which began towards the middle of 1934, was actively carried on in 1937. Textile factories completed during the year included a spinning and weaving mill at Eregli, a cambric factory at Nayelli, a fine thread spinning mill (merinos) at Bussa, and rayon factories at

Bussa and Guemelik. Construction of the fifth and last cotton factory provided by the plan was begun at Malatya. Foundations of a metallurgical industry were also laid at Karabuk. Since the first five-year plan was put into operation, eleven factories have begun operations and five are in course of construction.

MINES

The production of the mines in Turkey during 1937 was satisfactory. Export values of ores were larger than in the previous year, as indicated by the following figures, those for 1936 being shown within parentheses: lead ore, £tq.749,482 (£tq.454,656); zinc ore, £tq.683,159 (£tq.235,839); antimony ore, £tq.134,748 (£tq.100,000); and chromium ore, £tq.3,995,094 (£tq.2,926,579).

With regard to coal, statistics for 1937, with those for 1936 within parentheses, were as follows: extraction, 2,306,859 tons (2,298,649 tons); local consumption, 1,177,868 tons (967,781 tons); and sales abroad (coal exported and bunker coal), 327,123 tons (570,868 tons).

The Government of the Turkish Republic has just prepared a three-year plan for the development of the mining industry, which will be carried out with the assistance of the Eti Bank.

SHIPPING

The Turkish Government decided to expend £tq.10,000,000 on the first part of its program for renewing the mercantile fleet. An order for fourteen ships has already been given to German shipyards.

AGRICULTURE

Agricultural production in Turkey in 1937 was practically as abundant as in 1936 and considerably greater than in 1935, as indicated by the following table:—

	1937 Tons	1936 Tons	1935 Tons
Cereals:			
Wheat	3,700,000	3,800,000	2,500,000
Barley	2,280,000	2,300,000	1,370,000
Rye	500,000	450,000	216,000
Maize	590,000	680,000	455,000
Tobacco	67,000	67,000	35,000
Nuts	65,000	55,000	56,000
Raisins	42,000	65,000	77,000
Figs	34,000	34,000	38,000
Cotton	52,000	40,000	52,000
Olive oil	40,000	23,000	12,000

The increase in livestock and livestock products, principally wool and mohair, continued. These results may be ascribed not only to favourable weather conditions but also the efforts of agriculturists, encouraged by a series of measures adopted by the Government.

GOVERNMENT PLANS

There are now three government plans in operation in Turkey: the first five-year plan (1934-38), which covers the manufacturing of consumers' goods; the second five-year plan (1937-41), which is concerned mainly with the industrialization of the agricultural exports, the development of the mining, chemical, and iron and steel industries, port facilities, renewal of the mercantile fleet, and the supply of electric power; and the four-year agricultural plan, which was brought into operation at the beginning of 1937 and relates to agricultural production, irrigation, afforestation works, and the replacement of antiquated implements by modern agricultural machinery and implements. In addition, a three-year mining scheme has now been planned, with the object of doubling the coal production and of making possible the successful exploitation of the recently discovered iron ore mines.

IMPORTS INTO THE UNITED STATES OF PRODUCTS UNDER THE QUOTA PROVISIONS OF THE TRADE AGREEMENT

The following table, prepared by the Canadian Trade Commissioner's office at New York from preliminary figures issued by the Treasury Department at Washington, shows the standing of the quotas provided for under the Canada-United States Trade Agreement up to May 28, 1938. The percentage of quota used by Canada up to May 29, 1937, is likewise given for comparison purposes:—

	Total of Quota	Reduction in Duty	Total Amount	Used by Canada	
				1938 Per Cent to May 28	1937 Per Cent to May 29
Cattle (700 lbs. or more)	155,799 head	3 to 2 cts. per lb.	21,988	14.1	47.5
Calves (less than 175 lbs.)	51,933 head	2½ to 1½ cts. per lb.	21,049	40.4	78.1
Dairy cows	20,000 head	3 to 1½ cts. per lb.	1,892	9.5	12.2
Cream	1,500,000 gallons	56¼ to 35 cts. per gal.	4,304	0.3	2.3
Seed potatoes	750,000 bushels	75 to 60 cts. per 100 lbs. Dec. 1 to end of February; 45 cts. Mar. 1 to Nov. 30.	510,671	68.1	79.5
Unmanufactured lumber (Douglas fir and Western hemlock)	250,000 M ft. b.m.	\$1 to 50 cts. per M ft. b.m. duty; \$3 to \$1.50 tax	69,115 M ft. b.m.	27.6	14.6
Red cedar shingles	916,246 squares	Free	Quota filled April 26	....	77.6

Imports of heavy cattle from Mexico from January 1 to May 28, 1938, totalled 23,457 head or 15.1 per cent of the quota; thus 45,445 head of cattle of 700 pounds or more, representing 29.2 per cent of the total quota, have been imported up to May 28. Imports of calves have all been from Canada with the exception of 1,929 head from Mexico, amounting to 3.7 per cent of the quota.

The seed potato quota begins on December 1, whereas all other quotas date from January 1.

The quota on red cedar shingles for the first six months of 1938 was set at 916,246 squares and was filled on April 26. Further importations may not be admitted until July 1, 1938.

TARIFF CHANGES AND CUSTOMS REGULATIONS

Eire

TARIFF AMENDMENTS

Arising from the Irish Budget, six financial resolutions altered rates of duty, effective May 13, 1938, on a wide range of products, including:—

	Former Rate	New Rates	
		Pref.	Full
Motor car plates with numbers or letters	50%	40%	60%
Motor car plates without numbers or letters	50%	1s. each	1s. 6d. each
Numbers or letters for motor car plates	50%	6d. each	9d. each
Rosary beads or assemblies of beads for rosaries	33½% or, if higher	25%	37½%
	2d. each	½d. per 10 beads	¾d. per 10 beads
Golf clubs and parts	50%	50%	75%

Tariff Amendments—Concluded

	Former Rate	New Rates	
		Pref.	Full
Portable fire extinguishers and partsad val.	40%	40%	60%
Radio loud speakers, transformers, coils or assemblies thereofad val.	25%	40%	60%
Boot and shoe parts: stiffeners, toe-puffs, shanks, heels wholly or mainly of woodad val.	40%	40%	60%
or, if higher, each . . . . .	....	1d.	1½d.
Lampshades of textile, paper, cellulose or parchmentad val.	33½%	33½%	50%
Transformers, wooden or metal letters and backing for neon tubesad val.	Free	50%	75%
Pencils, crayons not exceeding 8 inches long . . .ad val.	33½%	33½%	50%
or, if higher, per gross	4s.	4s.	6s.
Pencils, crayons over 8 inches longad val.	33½%	33½%	50%
or, if higher, per gross	8s.	8s.	12s.
Hot water bottles of rubber or a combination of rubber each	Free	6d.	9d.
Woven piece-goods (except floor coverings) of silk or artificial silk 12 to 25 inches wide, exceeding 4s. per sq. yard in valuead val.	Free	30%	45%
Specified articles of iron and steel for building purposesad val.	Free	25%	37½%

The preferential tariff applies to Canada.

Australia

ELECTRICAL STANDARDS

The Electrical Wiring Rules, and Provisional Approval and Test Specifications, of the Standards Association of Australia, printed in pamphlet form, with amendments to January, 1938, which apply to electrical equipment imported into the Commonwealth, are on file in the Department of Trade and Commerce.

The specifications received cover insulating mouldings, electric bread toasters, electric grillers, electric radiators, electric portable immersion heaters, electric kettles and saucepans, electric jugs, electric irons, composition boards for electrical purposes, apparatus connectors, earth leakage circuit-breakers, plugs and plug sockets, and electric soldering irons.

It is suggested that any Canadian firm desiring information on these regulations write to the Department of Trade and Commerce and, in so far as is practicable, a copy will be loaned for examination.

New Zealand

TARIFF DECISIONS

Recent decisions of the New Zealand Department of Customs as to the classification and rates of duty on articles regarding which question had been raised include the following:—

Strain insulators having a dry flash-over voltage of 75,000 or upwards (as determined according to the regulations of the British Engineering Standards Association, and using a standard sphere spark-gap as defined in those regulations) are free of duty under the British preferential tariff, 20 per cent ad valorem when from "most favoured" countries, and 25 per cent under the general tariff (Item 352). A former decision admitting at these rates "strain insulators or shackle (pin-type strain) porcelain insulators having a working voltage above 5,000" is cancelled.

The following have also been approved for admission under Item 352, at rates above stated: galvanized steel tie rods and brackets for bracing of twin reinforced concrete poles for electric transmission lines; jaw stone crushers and jaw type granulators with eccentric shafts mounted on roller bearings; air bags of rubber for use in repairing tires.

Piston rings and scraper rings; also sparking plugs, suited for use on, and for use only in repairing, flying-machine engines, free of duty under all tariffs (Item 448).

"Zipp" and similar fasteners, free of duty under British preferential tariff, 25 per cent ad valorem under general tariff (Item 448).

Fittings of celluloid for use in the manufacture of suspenders, free of duty under British preferential tariff, 10 per cent ad valorem under general tariff (Item 448).

Toilet or shopping bags, of textile or textile lined with rubber, whether or not fitted with cords, handles, or "zipp" or other fasteners, 20 per cent ad valorem under the British preferential tariff and 45 per cent ad valorem under the general tariff (Item 184).

Canadian goods under any of the items quoted above, accompanied by the prescribed certificate of origin and shipped in accordance with New Zealand regulations, are admitted under the British preferential tariff.

Honduras

CERTIFICATES OF ORIGIN

Mr. R. T. Young, Canadian Trade Commissioner in Mexico City, forwards the following information: In pursuance of a Honduran Congressional Decree No. 89 of March 23, 1938, and effective thirty days thereafter, certificates of origin issued by a local chamber of commerce or similar trade organization, are required for all shipments to Honduras. Consular legalization of such certificates is required for freight shipments, for which a fee of \$1 United States currency, in consular stamps, is assessed. These certificates of origin must be prepared in Spanish. Prescribed forms are sold by Honduran consulates at 10 cents per set of five.

For parcel post packages certificates are to be issued by the chamber of commerce but need not be legalized by the consul, the consular legalization fee in such case being collected at destination in Honduras. One copy of the certificate, with original commercial invoice, must be enclosed in the parcel post package.

Bolivia

TARIFF CHANGES

Mr. S. G. MacDonald, Acting Trade Commissioner at Lima, Peru, reports under date June 1 that by virtue of a Bolivian decree of May 22, 1938, the Minister of Finance, as an exceptional measure and in order to secure the lowest possible price for articles of prime necessity, was authorized to reduce to 2 per cent ad valorem the customs duties on fresh or refrigerated meats (other than poultry and pork) of all kinds and milk in any form, whether fresh, canned or powdered, with or without sugar. Previously these two classifications of food-stuffs were dutiable at 10 centavos (approximately \$0.005) and 50 centavos (approximately \$0.025 per gross kilo (2.2 pounds) respectively.

Italy

IMPORT RESTRICTIONS

With reference to the notice respecting Exchange Control in Italy, which appeared in *Commercial Intelligence Journal* No. 1794 (June 18, 1938), page 986, Mr. J. C. Depocas, Assistant Canadian Trade Commissioner at Milan, advises that an Italian decree, effective July 1, 1938, provides that imports into Italy of products classified under about 123 tariff items be made subject to licence issued by the Ministry of Finance. Formerly these imports were subject to certain percentages of the value of imports during the corresponding quarter of 1934, based on the Customs receipts.

Among the products affected are:—

Iron and steel pipes; iron and steel castings; bolts, screws, studs, rivets, washers, cocks and valves of iron and steel; steel springs; zinc and its alloys in bars, wire, tubes, plates and sheets; razors; saw blades; scientific instruments; apparatus for wireless telegraphy; grindstones; various manufactures of asbestos; staves for casks; vaseline; pharmaceutical preparations; natural colouring earths; leather; gloves of rubber; paper; pasteboard; and unexposed cinematograph films.

FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING JUNE 27, 1938

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, June 27, 1938, and for the week ending Monday, June 20, 1938, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending June 20	Nominal Quotations in Montreal Week ending June 27	Official Bank Rate
Austria	Schilling	.1407	.....	.....	—
Belgium	Belga	.1001	\$.1714	\$.1713	3
Bulgaria	Lev	.0072	.0125	.0126	6
Czechoslovakia	Koruna	.0296	.0351	.0352	3
Denmark	Krone	.2680	.2236	.2235	4
Finland	Markka	.0252	.0222	.0221	4
France	Franc	.0392	.0281	.0281	2½
Germany	Reichsmark	.2382	.4072	.4070	4
Great Britain	Pound	4.8666	5.0087	5.0062	2
Greece	Drachma	.0130	.0092	.0092	6
Holland	Guilder	.4020	.5591	.5590	2
Hungary	Pengo	.1749	.3000	.3011	4
		Unofficial	.1992	.1995	—
Italy	Lira	.0526	.0530	.0531	4½
Yugoslavia	Dinar	.0176	.0235	.0234	5
Norway	Krone	.2680	.2517	.2515	3½
Poland	Zloty	.1122	.1899	.1902	4½
Portugal	Escudo	.0442	.0453	.0453	4-4½
Roumania	Leu	.0060	.0074	.0074	3½
Spain	Peseta	.1930	.0585	.0562	5
Sweden	Krona	.2680	.2582	.2580	2½
Switzerland	Franc	.1930	.2315	.2317	1½
United States	Dollar	1.0000	1.0081	1.0103	1
Mexico	Peso	.4985	.2111	.2090	3
Cuba	Peso	1.0000	1.0075	1.0096	—
Guadeloupe	Franc	.0392	.0281	.0281	—
Jamaica	Pound	4.8666	5.0187	5.0159	—
Martinique	Franc	.0392	.0281	.0281	—
Other British West Indies	Dollar	1.0138	1.0350	1.0325	—
Argentina	Peso (Paper)	.4245	.3339	.3337	3½
		Unofficial	.2636	.2627	—
Brazil	Milreis (Paper)	.1196	.0590	.0591	—
British Guiana	Dollar	1.0138	1.0350	1.0325	—
Chile	Peso	.1217	.0521	.0522	—
		Unofficial	.0403	.0404	—
Colombia	Peso	.9733	.5571	.5605	4
Peru	Sol	.2800	.2319	.2325	6
Venezuela	Bolivar	.1930	.3025	.3031	—
Uruguay	Peso	1.0342	.6589	.6588	—
South Africa	Pound	4.8666	5.0025	5.0000	3½
Egypt	Pound (100 Piastres)	4.9431	5.1325	5.1325	—
China (Shanghai)	Dollar	.....	.1887	.1847	—
Hongkong	Dollar	.....	.3117	.3119	—
India	Ruppee	.3650	.3708	.3710	3
Japan	Yen	.4985	.2920	.2917	—
Java	Guilder	.4020	.5591	.5589	—
Siam	Baht (Tical)	.4424	.4587	.4587	—
Straits Settlements	Dollar	.5678	.5800	.5809	—
Australia	Pound	4.8666	4.0062	4.0050	3
New Zealand	Pound	4.8666	4.0387	4.0370	2

The Dominion Bureau of Statistics has supplied the following note:—

Apart from somewhat erratic behaviour of rates on the United States dollar, foreign exchanges were comparatively quiet during the fourth week of June. Sterling held within fractional amounts of \$5.01, while the French franc showed moderate strength in moving up from 2.81 cents to 2.82 cents, but lost this gain on June 27. After rumours of United States devaluation were flatly contradicted by the Secretary of the Treasury on the 20th, dollar premiums advanced next day from ¼ of 1 per cent to 1½ per cent following a two-week decline. Rates subsequently steadied around \$1.01 as London gold bullion prices again dropped back well below the \$35 level in terms of United States funds.

TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

Secretary, Board of Trade—

Saint John, N.B.
Halifax, N.S.
Quebec, P.Q.
Montreal, P.Q.
Toronto, Ont.
Chatham, Ont.

Brantford, Ont.
Kitchener, Ont.
Stratford, Ont.
Woodstock, Ont.
St. Mary's, Ont.
Portage la Prairie, Man.

St. Boniface, Man.
Winnipeg, Man.
Vancouver, B.C.
New Westminster, B.C.

Secretary, Chamber of Commerce—

Sherbrooke, P.Q.
Kingston, Ont.
Oshawa, Ont.

Belleville, Ont.
Peterborough, Ont.
London, Ont.

Hamilton, Ont.
Victoria, B.C.
Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

Secretary, Canadian Manufacturers Association—

Toronto, Ont.
Montreal, P.Q.

Winnipeg, Man.
Edmonton, Alta.

Vancouver, B.C.
Victoria, B.C.

Director, Trade Extension, Victoria, B.C.

Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.

Commodity	No.	Location of Inquirer	Purchase or Agency
Foodstuffs—			
Cheese.....	379	New York City, New York	Agency.
Miscellaneous—			
Dried Blood.....	380	Bristol, England.....	Purchase or Agency.
Sea Grass.....	381	Brooklyn, New York.....	Purchase.
Horn and Hoofs.....	382	Bristol, England.....	Purchase or Agency.
Coats, Canvas.....	383	Adelaide, Australia.....	Agency.
Rugs, Canvas.....	384	Adelaide, Australia.....	Agency.
Awning and Verandah Blinds, Canvas.....	385	Adelaide, Australia.....	Agency.
Hardware, Household.....	386	Perth, Australia.....	Agency.
Switch-gear.....	387	Perth, Australia.....	Agency.
Wire, No. 5 Gauge.....	388	Perth, Australia.....	Purchase and Agency.
Wire, Coppered Steel.....	389	Melbourne, Australia.....	Agency.
Batteries, Storage.....	390	Alexandria, Egypt.....	Purchase.
Boats, Collapsible.....	391	Auckland, New Zealand...	Purchase or Agency.
Veneer.....	392	Auckland, New Zealand...	Purchase.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Montreal

To Liverpool.—Duchess of Richmond, July 8 and Aug. 5; Duchess of Bedford, July 15; Montclare, July 23; Duchess of York, July 29—all Canadian Pacific; Andania, July 15; Antonia, July 29—both Cunard-White Star Line; Taborfjell, Fjell Line, July 16.

To London.—Beaverford, July 8; Beaverbrae, July 15; Beaverhill, July 22; Beaverburn, July 29; Beavertdale, Aug. 5—all Canadian Pacific; Ausonia, July 8; Alaunia, July 15; Auranis, July 22—all Cunard-White Star Line; Rutenfjell, July 13; Ornefjell, July 27; Carmelfjell, Aug. 10—all Fjell Line.

To Manchester.—Manchester Port, July 7; Manchester Commerce, July 14; Manchester City, July 21; Manchester Citizen, July 28—all Manchester Line; Taborfjell, Fjell Line, July 16.

To Southampton.—Duchess of Richmond, Canadian Pacific, Aug. 24.

To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.—Norwegian, July 8; Dorelian, July 23—both Cunard-Donaldson and Dominion Lines; Boston City, Bristol City and Dominion Lines, July 16.

To Glasgow.—Letitia, July 8; Delilian, July 15; Athenia, July 25—all Donaldson-Atlantic Line.

To Newcastle and Leith.—Cairnmona, July 6; Cairnross, July 13; Cairnvalona (also calls at Dundee), July 20; Cairnglen, July 27—all Cairn-Thomson Line.

To Aberdeen and Hull.—Bassano, Ellerman's Wilson Line, July 16.

To Belfast and Dublin.—Dunaff Head, July 5; Melmore Head, July 22—both Head Line (cargo accepted for Cork and Londonderry).

To Hamburg and Bremen.—Beaverford, July 8; Beavertdale, Aug. 5—both Canadian Pacific (do not call at Bremen); Bochum, Hamburg-American Line, July 29.

To Gothenburg, Stockholm and Helsingfors.—Braeholm, July 29; Lagaholm, Aug. 16—both Swedish-America-Mexico Line.

To Norwegian Ports.—Taborfjell, Fjell Line, July 16.

To Antwerp and Havre.—Beaverbrae, July 15; Beaverhill, July 22; Beaverburn, July 29; Beaverford, Aug. 12—all Canadian Pacific (do not call at Havre); August, July 7; Hada County, July 26—both County Line; Rutenfjell, July 13; Ornefjell, July 27; Carmelfjell, Aug. 10—all Fjell Line (do not call at Havre).

To Rotterdam.—Flint 2, July 14; Hada County, July 26—both County Line; Rutenfjell, July 13; Ornefjell, July 27; Carmelfjell, Aug. 10—all Fjell Line.

To Marseilles, Genoa, Leghorn, Naples, Messina, Palermo, Gibraltar and Lisbon.—Capo Olmo, July 19; Capo Noli, Aug. 8—both Capo Line (will also call at Cadiz and/or Seville and/or Casablanca if sufficient cargo offers).

To St. John's, Nfld.—Bencas, July 5; Anna, July 25—both Shaw SS. Co. Ltd. (also call at Harbour Grace, Bay Roberts, Carbonear and Port Union; will touch at Newfoundland south coast ports as cargo offerings warrant); Belle Isle, Newfoundland-Canada SS. Ltd., July 15 and 29 (also calls at St. Pierre-Miquelon).

To Cornerbrook, Nfld.—New Northland, July 4 and 18; Gaspesian, July 13 and 27—both Clarke SS. Co.

To Puerto Rico, Barbados, Trinidad and Demerara.—Colborne, July 7; Cornwallis, July 21; Chomedy, Aug. 4—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To Hamilton, Nassau, Kingston and Belize.—Lady Rodney, July 6; Cavellier (calls at Kingston only), July 15; Lady Somers, July 20; Cathcart (calls at Kingston only), July 29—all Canadian National.

To Bermuda, St. Kitts, Antigua, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—A steamer, Ocean Dominion SS. Corp., July 15 and 29 (call at Guadeloupe and Martinique if sufficient cargo offered).

To Buenos Aires.—Tureby, International Freighting Corp., July 23 (calls at Santos, will also call at Rio de Janeiro if sufficient cargo offered).

To Brisbane, Sydney, Melbourne and Adelaide.—Port Montreal, July 30; a steamer, Aug. 30—both Montreal Australia New Zealand Line (will also call at Geelong).

To Auckland, Wellington, Lyttelton and Dunedin.—City of Pittsburg (also calls at Timaru and Napier), July 21; a steamer, Aug. 21—both Montreal Australia New Zealand Line.

To Cape Town, Port Elizabeth, East London and Durban.—Calgary, July 25; Mattawin, Aug. 27—both Elder Dempster Lines Ltd. (also call at Freetown, Lourenco Marques and Beira).

To Belawan Deli, Penang, Port Swettenham, Singapore, Batavia, Cheribon, Samarang, Soerabaya and Macassar.—Kota Tjandi, Blue Funnel Line, July 16.

To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Madras, Rangoon, Calcutta and Singapore.—City of Birmingham, July 20; City of Rangoon, Aug. 1—both Canada-India Service.

From Quebec

To Southampton.—Empress of Britain, July 9 and 30; Empress of Australia, July 19 and Aug. 4—both Canadian Pacific.

From Halifax

To Liverpool.—Newfoundland, July 14; Nova Scotia, July 30—both Furness Line.

To St. John's, Nfld.—Fort Townshend, July 4 and 18; Fort Amherst, July 11 and 25—both Furness-Red Cross Line (also call at St. Pierre); Portia, Newfoundland Rys. and SS. Co., July 6 and 20; Magnhild (also calls at St. Pierre and Newfoundland outports), Newfoundland-Canada SS. Ltd., July 11 and 25, Aug. 8; Newfoundland, July 14; Nova Scotia, July 30—both Furness Line.

To Kingston, Jamaica.—Cathcart, July 4; Cavelier, July 18—both Canadian National.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Drake, July 14; Lady Nelson, July 28; Lady Hawkins, Aug. 11—all Canadian National; Heroy, July 6; a steamer, July 20—both Ocean Dominion SS. Corp. (call at Guadeloupe and Martinique if sufficient cargo offered, but not at Nevis or Montserrat).

To Puerto Rico, Barbados, Trinidad and Demerara.—Colborne, July 11; Cornwallis, July 25; Chomedy, Aug. 8—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To Santiago (Cuba) and Kingston (Jamaica).—Lutz, July 13 and Aug. 10; Kirsten B., July 27—both Pickford & Black Ltd. (also call at Jamaican outports as cargo offers).

To Far East Ports.—Silverwalnut, July 9; Silverash, Aug. 7—both Silver Line; Siamese Prince, July 22; Cingalese Prince, Aug. 21—both Furness-Prince Line.

From Saint John

To Liverpool and Manchester.—Manchester Exporter, July 26; Manchester Producer, Aug. 16—both Manchester Line.

To London, Newcastle, Aberdeen and Hull.—Guido, July 15; Kyno, Aug. 12—both Ellerman's Wilson Line.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Drake, July 6; Lady Nelson, July 20; Lady Hawkins, Aug. 3—all Canadian National.

To Kingston and Jamaica Outports.—Harboe Jensen, July 8 and 22, Aug. 5; Crawford Ellis, July 15 and 29—both United Fruit Co. (cargo accepted for Caribbean, Central and South American ports with transshipment at Kingston).

From Vancouver

To Yokohama, Kobe and Osaka.—Heian Maru, July 23; Hikawa Maru, Aug. 13; Hiye Maru, Aug. 27—all Nippon Yusen Kaisha.

To Yokohama, Kobe, Shanghai, Hongkong and Manila.—Empress of Asia (calls Nagasaki), July 9; Empress of Canada (calls Honolulu), July 22; Empress of Russia (calls Nagasaki), Aug. 6; Empress of Japan (calls Honolulu), Aug. 20—all Canadian Pacific.

To Honolulu, Suva, Auckland and Sydney.—Niagara, July 5; Aorangi, Aug. 2—both Canadian-Australasian Line.

To Papeete, Auckland, Wellington, Lyttelton, Dunedin, Melbourne and Sydney.—Hauraki (also calls at New Plymouth), July 9; Clydebank, Aug. 5—both Canadian-Australasian Line.

To Brisbane, Sydney, Melbourne and Adelaide.—Tisnaren, July 12; Parrakoola, August—both Empire Shipping Co. Ltd.

To London, Plymouth, Hull and Swedish Ports.—Balboa, July 6; Annie Johnson, July 30; Canada (calls at Hawaii), Aug. 14—all Johnson Line.

To London, Liverpool and Rotterdam.—Narenta (calls Glasgow), July 23; Nebraska, Aug. 6; Delftdyk (calls Glasgow), Aug. 20—all North Pacific Coast Line.

To Antwerp, Hamburg and Bremen.—Oakland, Aug. 7; Seattle, Aug. 24—both Hamburg-American Line; Weser, July 28; Este, Aug. 31—both North German Lloyd Line.

To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.—Wyoming, July 5; San Francisco, Aug. 3; San Antonio, Aug. 19—all Empire Shipping Co. Ltd.

To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.—Rialto, July 15; Cellina, Aug. 12—both Empire Shipping Co. Ltd.

To Port of Spain (Trinidad) and Bridgetown (Barbados).—A steamer, Canadian Transport Co., end of July.

To Cape Town, Port Elizabeth, East London, Durban and Lourenco Marques.—Madoera, July 5; Silverbelle, Aug. 5—both Silver-Java Pacific Line (call at Beira and Calcutta, will also call at Colombo and Madras if sufficient cargo offers); Hopecrown, North Pacific Shipping Co. Ltd., July 31 (calls at Beira but not at East London).

To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.—Brandanger, July 25; Hardanger, Aug. 25—both Empire Shipping Co. Ltd.

COMMERCIAL INTELLIGENCE SERVICE

L. D. WILGRESS, *Director*

CANADIAN GOVERNMENT TRADE COMMISSIONERS

Argentina

J. A. STRONG, B. Mitre 430, Buenos Aires (1). (Territory includes Uruguay.) *Cable address, Canadian.*

Australia

Sydney: L. M. COSGRAVE. Address for letters—P.O. Box No. 3952V. Office—City Mutual Life Building, Hunter and Bligh streets. (Territory includes Federal District of Canberra, New South Wales, Queensland, Northern Territory and Dependencies.) *Cable address, Canadian.*

Melbourne: FREDERICK PALMER. Address for letters—Box 196C, G.P.O. Office—Safe Deposit Office Building. (Territory includes States of Victoria, South Australia, Western Australia, and Tasmania.) *Cable address, Canadian.*

Belgium

YVES LAMONTAGNE, Shell Building, 60 Ravenstein Street, Brussels. *Cable address, Canadian.*

Brazil

L. S. GLASS. Address for letters—Caixa Postal 2164, Rio de Janeiro. Office—Ed. Da. "A. Noite," Sala 802, Praca Maua. *Cable address, Canadian.*

British Malaya

B. C. BUTLER, Union Building, Singapore, Straits Settlements. (Territory includes the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India.) *Cable address, Canadian.*

British West Indies

Trinidad: M. B. PALMER. Address for letters—P.O. Box 125, Port of Spain. Office—Barclay's Bank Building. (Territory includes Barbados, Windward and Leeward Islands, and British Guiana.) *Cable address, Canadian.*

Jamaica: F. W. FRASER, P.O. Box 225, Kingston. Office—Canadian Bank of Commerce Chambers. (Territory includes Haiti, the Bahamas, and British Honduras.) *Cable address, Canadian.*

China

H. A. SCOTT. Address for letters—P.O. Box 264, Shanghai. Office—Ewo Building, 27 The Bund, Shanghai. (Territory includes Central China and North China.) *Cable address, Canadian.*

Cuba

C. S. BISSETT. Address for letters—Apartado 1945, Havana. Office—Royal Bank of Canada Building, Calle Aguiar 75, Havana. (Territory includes Dominican Republic and Puerto Rico.) *Cable address, Canadian.*

Egypt

HENRI TURCOT. Address for letters—P.O. Box 1770, Cairo. Office—22 Shari Kasr el Nil, Cairo. (Territory includes the Sudan, Palestine, Cyprus, Iraq, Syria, Iran, Greece, Turkey, Bulgaria, and Roumania.) *Cable address, Canadian.*

France

HERCULE BARRÉ, Commercial Attaché, 3 rue Scribe, Paris (9). (Territory includes French Colonies in North Africa.) *Cable address, Cancomac.*

Germany

J. C. MACGILLIVRAY, Bendlerstrasse 38, Berlin W.35. (Territory includes Czechoslovakia, and Poland.) *Cable address, Cantracom.*

Hongkong

V. E. DUCLOS. Address for letters—P.O. Box 80, Hongkong. Office—Gloucester Building, Hongkong. (Territory includes South China, the Philippines, and Indo-China.) *Cable address, Canadian.*

British India

PAUL SYKES. Address for letters—P.O. Box 2003, Calcutta. Office—23 Esplanade Mansions, Government Place East, Calcutta. (Territory includes Burma and Ceylon.) *Cable address, Canadian.*

Ireland

JAMES CORMACK, 66 Upper O'Connell Street, Dublin, Ireland (*cable address, Canadian*); and 36 Victoria Square, Belfast, Northern Ireland.

CANADIAN GOVERNMENT TRADE COMMISSIONERS—*Con.*

Italy

A. B. MUDDIMAN, Via Manzoni Nr. 5, Milan (102). (Territory includes Spain, Portugal, Gibraltar, Malta, Albania, and Yugoslavia.) *Cable address, Canadian.*

Japan

Tokyo: C. M. CROFT, Commercial Secretary. Address for letters—P.O. Box 18, Akasaka Post Office, Tokyo. Office—Canadian Legation, 16 Omotecho, 3-chome, Akasakaku, Tokyo. *Cable address, Canadian.*

Kobe: P. V. McLANE. Address for letters—P.O. Box 230, Kobe. Office—309 Crescent Building, 72 Kyomachi, Kobe. *Cable address, Canadian.*

Mexico

R. T. YOUNG. Address for letters—Apartado Num. 126-Bis, Mexico City. Office—Edificio Banco de Londres y Mexico, Num. 30, Mexico City. (Territory includes Guatemala, Honduras, and Salvador.) *Cable address, Canadian.*

Netherlands

J. A. LANGLEY, Coolsingel 111b, Rotterdam. (Territory includes Switzerland.) *Cable address, Canadian.*

New Zealand

W. F. BULL. Address for letters—P.O. Box 33, Auckland. Office—Yorkshire House, Shortland Street, Auckland. (Territory includes Fiji and Western Samoa.) *Cable address, Canadian.*

Norway

RICHARD GREW, Stortingsgaten 28, Oslo. (Territory includes Sweden, Denmark, and Finland.) *Cable address, Canadian.*

Panama

W. J. RIDDIFORD. Address for letters—P.O. Box 222, Panama City. Office—Royal Bank of Canada Building, Santa Ana Plaza, Panama City. (Territory includes the Canal Zone, Venezuela, Colombia, Nicaragua, and Costa Rica.) *Cable address, Canadian.*

Peru

M. J. VECHSLER. Address for letters—Casilla 1212, Lima. Office—Portal de Belén No. 166, Plaza San Martin, Lima. (Territory includes Bolivia, Ecuador, and Chile.) *Cable address, Canadian.*

South Africa

Cape Town: G. R. HEASMAN. Address for letters—P.O. Box 683. Office—Cleghorn & Harris Building, Adderley Street. (Territory includes Cape Province and Southwest Africa, Natal, Tanganyika, Kenya, Uganda, Mauritius, and Madagascar.) *Cable address, Cantracom.*

Johannesburg: J. L. MUTTER. Address for letters—P.O. Box 715. Office—Prudential Assurance Bldg., 92 Fox Street. (Territory includes Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland.) *Cable address, Cantracom.*

United Kingdom

London: FREDERIC HUDD, Chief Trade Commissioner in the United Kingdom, Canada House, Trafalgar Square, S.W.1. *Cable address, Sleighing, London.*

London: J. H. ENGLISH, Trade Commissioner, Canada House, Trafalgar Square, S.W.1. (Territory includes Home Counties, Southeastern Counties, and East Anglia.) *Cable address, Sleighing, London.*

London: W. B. GORNALL, Fruit Trade Commissioner, Aldine House, Bedford Street, Strand, W.C.2. *Cable address, Canfrucum.* (Territory—for fresh fruit only—includes United Kingdom, Norway, Denmark, Sweden, France, Holland, Belgium, and Germany.)

London: W. A. WILSON, Animal Products Trade Commissioner, Canada House, Trafalgar Square, S.W.1. *Cable address, Agrilson.*

Liverpool: H. R. POUSSETTE, Martins Bank Building, Water Street. (Territory includes North of England, Lincolnshire, North Midlands, and North Wales.) *Cable address, Canadian.*

Bristol: E. L. MCCOLL, Northcliffe House, Colston Avenue. (Territory includes West of England, South Wales, and South Midlands.) *Cable address, Canadian.*

Glasgow: G. B. JOHNSON, 200 St. Vincent Street. (Territory covers Scotland.) *Cable address, Cantracom.*

United States

D. S. COLE. British Empire Building, Rockefeller Center, New York City. (Territory includes Bermuda.) *Cable address, Cantracom.*

Note.—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.

COMMERCIAL INTELLIGENCE JOURNAL

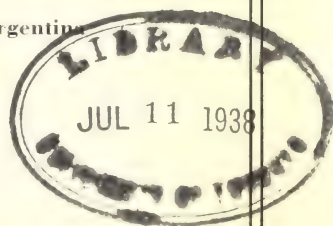
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ISSUED BY AUTHORITY OF
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE
JAMES G. PARMELEE, DEPUTY MINISTER

CONTENTS

	Page
Mr. Langley to Visit Switzerland.....	41
Mr. Fraser's Forthcoming Visit to the Bahamas.....	41
Trade of South Africa in 1937:	
III. Imports from Canada	41
Trade Commissioners on Tour	49
Trade of Malta in 1937	49
Argentine Paper Market	53
Economic Conditions in Cuba in 1937.....	57
Mexico's Mineral Production in 1937.....	61
Preliminary Crop Reports for Norway and Sweden.....	61
United Kingdom Merchandise Marks Act.....	62
Tariff Changes and Customs Regulations	63
Foreign Exchange Quotations	66
Trade Inquiries for Canadian Products	67
Proposed Sailings from Canadian Ports.....	67
List of Publications of the Imperial Economic Committee.....	70
Commercial Intelligence Service	71

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No. 1797

MR. LANGLEY TO VISIT SWITZERLAND

Mr. J. A. Langley, Canadian Trade Commissioner at Rotterdam, Holland, will leave early in August for a visit to Switzerland in the interest of Canada's trade with that country.

Canadian exporters interested in the Swiss market and desirous of having investigations made on their behalf should communicate with Mr. Langley at Coolsingel 111b, Rotterdam.

MR. FRASER'S FORTHCOMING VISIT TO THE BAHAMAS

Mr. F. W. Fraser, Canadian Trade Commissioner at Kingston, Jamaica, will leave on July 20 for Nassau, where he will spend a few days in the interest of Canadian trade with the Bahamas.

Canadian manufacturers and exporters wishing to avail themselves of Mr. Fraser's services are invited to communicate with him at Kingston, Jamaica (P.O. Box 225), or in care of the Royal Bank, Nassau, Bahamas.

TRADE OF SOUTH AFRICA IN 1937¹

G. R. HEASMAN, CANADIAN TRADE COMMISSIONER

III

Imports from Canada

(Figures within parentheses are for 1936)

Exclusive of purchases of government stores, the total values of Canadian merchandise imported into the Union during the five years 1933 to 1937 were as follows: 1933, £1,205,313; 1934, £2,492,006; 1935, £2,436,737; 1936, £2,882,089; 1937, £3,420,233. The 1937 figure is a new record and will probably stand as such for some time; the increase is due to the continued prosperous conditions that prevailed in the Union during 1937. In addition, government stores were imported from Canada to the value of £259,706 as compared with £193,216 in 1936 and should be added to the above figures. Government purchases from Canada were, as in previous years, confined mainly to heavy steel rails, £252,536 as compared with £187,363 in 1936. The balance was largely printing paper. Canada ranks fourth after the United Kingdom, Germany, and Belgium as a source of supply for government imports.

The Annual Statistics of Trade and Shipping for the Union of South Africa lists 242 separate commodities, each in excess of £100, as coming from Canada. This is an increase of twenty-seven commodities as compared with 1936.

¹ Part I of this report, dealing with trade in general and especially with exports, was published in No. 1795 (June 25); and Part II, on the import trade, in No. 1796 (July 2).

Of total imports from Canada into the Union in 1937 ten items accounted for 79 per cent (84 per cent). In the table below forty-one leading commodities have been listed, and these represent 89 per cent (92 per cent) of the imports from Canada into the Union. In 1935 it required only thirty-five commodities to account for 91 per cent of total shipments from Canada. The above percentage indicates that imports from the Dominion into South Africa are becoming more diversified and are being participated in by a larger number of Canadian exporters.

Principal Imports from Canada into the Union of South Africa

	1936		1937		Inc. (+) or Dec. (—)
	Total Imports All Countries	Imports from Canada Figures in £1,000	Total Imports All Countries	Imports from Canada	
Motor vehicles, chassis, parts and accessories	8,191	710	10,022	799	+ 89
Silk and artificial silk hosiery	632	307	657	283	— 23
Heavy rails, government purchases	508	187	659	253	+ 65
Pine and other soft woods excluding pitch pine	1,116	193	1,596	251	+ 58
Agricultural implements	1,201	190	1,460	226	+ 36
Electric cooking and heating apparatus	310	147	383	186	+ 39
Cyanide	423	120	444	147	+ 27
Motor car and truck tires and tubes	437	264	307	137	— 127
Canned salmon and sardines	301	102	369	127	+ 25
Women's outer garments	2,051	35	2,319	83	+ 49
Pig lead	34	15	74	55	+ 40
Wrought iron and steel pipes	514	56	655	55	— 1
Kraft wrapping paper	267	2	362	36	+ 34
Porcelain insulators	49	30	63	35	+ 5
Newsprint	292	163	364	210	+ 47
Stoves, ranges and parts (not elec.)	236	15	315	33	+ 18
Belting, other than leather	130	24	178	31	+ 8
Flooring and ceiling wood	392	22	525	28	+ 6
Machinery, n.e.e.	1,124	26	1,428	27	+ 1
Pulpboards	108	25	112	25	+ 0.5
Wire netting	152	13	195	23	+ 10
Fencing wire	397	18	475	25	+ 7
Rubber boots and shoes	21	11	41	22	+ 11
Shovels and forks	44	11	54	21	+ 9
Nails, wire and other	105	15	134	20	+ 5
Apples	24	17	23	18	+ 1
Canned vegetables	86	15	789	18	+ 3
Cardboard, linenboard and straw-board	242	17	301	17	+ 0.5
Rolled oats	15	14	17	16	+ 2
Rubber manufactures, n.e.e.	169	12	221	13	+ 1
Binder twine	35	9	29	11	+ 2
Mechanics' tools	441	11	526	11	....
Rubber soled canvas shoes	53	8	55	10	+ 2
Toys and indoor games	222	7	255	9	+ 2
Plywood	131	....	164	8	+ 8
Ready mixed paints (other)	229	7	262	8	+ 1
Shingles	2	2	8	7	+ 5
Belting (conveyor)	50	8	70	7	— 1
Women's rayon vests, knickers, slips and combinations	148	5	152	6	+ 1
Biscuits	25	2	29	4	+ 2
Jellies	26	2	25	4	+ 2

Canada's percentage of the total imports of the above commodities was 12.6 in 1937 as compared with 13.5 in 1936.

NOTES ON THE PRINCIPAL COMMODITIES

In the following paragraphs the comments and the amount of detailed information on a number of selected commodities vary in accordance with the number of exporters in Canada interested in each and the type of commodity.

For instance, cyanide, which ranks high among the Dominion's exports to the Union, is purchased almost entirely from one firm, and the manufacturers are no doubt thoroughly familiar with conditions with respect to competition and the extent of the market. On the other hand, the Canadian exporters of canned fish are numerous, and accordingly details of imports from other countries are supplied.

MOTOR VEHICLES, CHASSIS, PARTS AND ACCESSORIES

During the year under review 32,096 motor cars (28,752) were imported into the Union valued at £4,807,340 (£4,160,190). The United States supplied 21,819 (21,160); United Kingdom, 6,393 (6,192); Canada, 94 (103); Germany, showing the largest increase, 2,548 (1,115). The number of motor car chassis imported was 22,441 (19,536) valued at £1,615,282 (£1,280,032). The United States supplied 15,974 (12,135); Canada, 6,225 (7,165); United Kingdom, 240 (234).

Motor trucks and vans totalled 2,374 (1,919) valued at £479,072 (£283,154), of which the United States supplied 1,995 (1,449); United Kingdom, 281 (208); and Canada, 53 (239).

Imports of motor truck chassis amounted to 10,200 (7,685) valued at £1,454,757 (£1,176,672), of which the United States supplied 6,775 (5,411); Canada, 2,563 (1,335); United Kingdom, 741 (735). This was the only item under motor car trucks and chassis in which Canada showed an increase.

Under the heading motor car and motor truck parts and accessories, imports of which were valued at £1,665,441 (£1,290,674), Canada ranked next to the United States and the United Kingdom as a source of supply, with the former obtaining about 70 per cent of the total imports. Germany has shown consistent increases in practically all lines of motor car and motor car parts imports.

MOTOR CAR AND TRUCK TIRES AND TUBES

Imports of motor car tires and tubes in 1937 showed a heavy decline as the result of three well-known companies manufacturing locally. On the other hand, there were heavy imports of raw rubber, a commodity not previously imported to any extent, and many more motor cars were registered during 1937.

Imports of motor car and truck tires last year amounted to 5,408,991 (8,220,753) pounds valued at £281,331 (£392,985); this compares with imports in 1934 valued at £548,000. Canada continued to be the main source of supply with 2,492,460 (5,027,572) pounds valued at £127,557 (£236,037), followed by the United Kingdom with 1,609,654 (1,974,942) pounds valued at £84,926 (£95,289). The only other source of supply of importance was the United States with 1,250,884 (1,114,736) pounds valued at £65,766 (£56,325). The latter figures would seem to indicate that local manufacturing has affected chiefly the type of tire that has been imported from Canada, and that certain types usually imported from the United States have not declined but have shown a slight increase. Imports of motor car and truck tubes amounted to 426,061 (804,814) pounds valued at £25,247 (£43,743), of which Canada supplied to the value of £9,660 (£28,314); the United Kingdom, £9,320 (£8,672); and the United States, £5,981 (£6,185).

AGRICULTURAL IMPLEMENTS

With the possible exception of cream separators, Canada showed a total increase under the heading of agricultural implements of over £35,000 in 1937 as compared with 1936. Total imports of cream separators declined to 11,137 units (11,475), although there was a slight increase in value, £47,384 (£46,574). Sweden was again the chief source of supply with 8,623 (9,015) machines valued at £33,811 (£33,900); the United Kingdom supplied 1,093 (710) machines; Fin-

land, 415 (568); Belgium, 283 (137); Germany, 279 (411); Denmark, 229 (223); and Canada, 69 (129) machines. Of the 4,468 (4,026) binders, reapers, and mowers imported, valued at £113,197 (£119,413), the United States supplied 1,708 (1,799) machines and Canada 1,566 (953). Ploughs, harrows and parts were imported to the number of 106,811 (76,523) valued at £568,072 (£445,673), of which Germany supplied to a value of £158,648 (£107,938); United States, £149,743 (£134,854); and Canada, £144,509 (£110,974). Imports of kaffir hoes and picks amounted to 441,896 (377,131) valued at £16,166 (£13,683), of which almost the entire quantity came from the United Kingdom. Imports from Canada, while showing an increase, amounted to only a few thousand. Imports of threshing machines amounted to 117 (163) valued at £35,968 (£45,374), of which Canada supplied the largest proportion, 41 (69) valued at £14,014 (£18,177).

NEWSPRINT

The total quantity of newsprint, in reels, imported into the Union in 1937 was 794,068 (668,125) centals (100 pounds) valued at £345,085 (£278,367). This is the fifth year in which imports of newsprint in reels have shown an increase, and Canada has not only continued to obtain her share but has increased her percentage.

Imports from Canada in 1937 amounted to 490,681 (394,205) centals as compared with 258,082 (245,416) centals from the United Kingdom, the chief source of competition. Imports from Sweden are negligible in comparison. Imports from Germany for the past several years have shown a small but steady increase in both quantity and value.

Imports of flat newsprint amounted to 36,926 (30,647) centals. Canada supplied 50 per cent of the total quantity, the balance being divided between Sweden, Finland, Estonia, Norway, and the United Kingdom. There have been many new newspapers started during the past three years, and so long as present prosperity continues the demand for newsprint on its present scale will be maintained, but it is unlikely that there will be any increase in total imports above the 1937 figure, which is regarded as a record one that will stand for some time. There is no reason why Canada should not obtain a larger share of the total.

KRAFT WRAPPING PAPER

Kraft wrapping paper was formerly an important item among imports from Canada into the Union, but shipments gradually declined until in 1935 they practically ceased. There was a slight revival in 1936 and in 1937 it had again reached a substantial figure, as shown by the table of imports from Canada. Total imports were 362,053 (267,306) centals, of which Sweden supplied 216,069 (194,297) centals; Canada, 54,624 (3,343) centals; and Finland, 51,093 (38,645) centals.

Wrapping paper of all kinds is another commodity imports of which are bound to decline in the next few years owing to the completion of several wrapping paper mills now under construction in the Union. While wrapping paper, other than kraft, will no doubt be chiefly affected, nevertheless imports of wrapping paper as a whole will tend to decrease, and 1937 will probably be recorded as the peak year for imports of this commodity.

Imports of "heavy wrapping paper, other"—that is not less than 30 pounds per ream of 480 sheets—amounted to 144,913 (142,739) centals, of which Sweden was the chief source of supply. Imports from Canada amounted to 18,983 (2,870) centals.

FENCING WIRE

Imports of plain fencing wire in 1937 amounted to 428,948 (378,802) centals, and of barbed wire, 290,818 (359,607) centals. The United States was the chief

source of supply for both types of fencing—plain, 116,164 (92,727) cents; barbed, 115,212 (175,206) cents—followed by Belgium—plain, 112,900 (117,478) cents; barbed, 107,039 (104,307) cents. Germany, the United Kingdom and Canada were large sources of supply for plain wire, while the United Kingdom, Holland, Germany, and Canada, in that order, continued as sources of supply for the balance of the imports of barbed wire.

WIRE NETTING

Wire netting imports amounted to 172,133 (147,834) cents, of which Germany supplied 72,611 (47,534) cents valued at £68,126 (£44,438), followed by Belgium, Holland, the United Kingdom, and Canada, the last mentioned showing a slight increase to 5,875 cents from 3,725 cents in 1936.

ELECTRIC HEATING AND COOKING APPLIANCES

The Union continued during 1937 to be an excellent market for electric stoves and electrical appliances. At least 75 per cent of all the electric stoves used are of Canadian origin. The total value of imports under this heading was £383,049 (£309,584), of which Canada supplied to a value of £185,761 (£147,141); United Kingdom, £108,246 (£92,787); United States, £48,048 (£42,240); and Germany, £25,283 (£18,318). On a percentage basis Canada lost ground, due undoubtedly to larger imports of types of heating and cooking apparatus other than electric stoves. For instance, imports from the United Kingdom, and Germany also, consist to a great extent of electric heaters, in which Canada does not share. Imports from the United States consisted chiefly of stoves. The heavy increase in the total imports under this heading is partly due to the building expansion which has taken place in South Africa in recent years, but there are indications that building plans are falling off in Johannesburg, which has been the chief market for electric stoves, especially for installation in new flats.

STOVES, RANGES AND PARTS (NOT ELECTRIC)

This is another commodity in which Canada has continued to show a steady increase during the past five years. The United Kingdom is still the chief source of supply with imports valued at £187,758 (£150,457), followed by Sweden with £45,887 (£36,361), the United States, and Canada. This is a commodity in which there is still opportunity for increased sales, and there is no apparent reason why other Canadian manufacturers should not share in this business. These stoves are imported largely for use in the up-country districts where, owing to the high elevation, the evenings are considerably cooler than in the coastal belt.

PINE AND OTHER SOFT WOODS

Canada continued to record a steady increase under this heading, chiefly in Douglas fir from the Pacific coast. As indicated by the table of imports, there was a substantial increase in both the total of imports and in Canada's share. In quantity, 20,699,421 cubic feet were imported into South Africa as compared with 17,817,661 cubic feet in 1936. The largest source of supply was Finland, 6,508,307 (6,110,501) cubic feet, followed by Russia, 4,300,862 (3,829,355) cubic feet; Canada, 4,084,948 (3,900,034) cubic feet; United States, 2,358,125 (1,942,588) cubic feet; Sweden, 1,563,621 (1,321,414) cubic feet; Poland and Czechoslovakia also supplied over 500,000 cubic feet each.

During 1937 there were several occasions on which it was difficult to obtain supplies from Canada; it is expected, therefore, that during 1938 imports will at least equal those of 1937. While there are indications that building is slowing up, judging by the number of building plans passed in Johannesburg, there

are several large housing schemes contemplated during the next few years, especially in Cape Town, which should result in Canada being able to maintain 1937 figures for several years to come.

FLOORING AND CEILING WOOD

Total imports of flooring and ceiling, plain, tongued and grooved, amounted to 4,939,568 (4,551,503) cubic feet. Imports were chiefly from Finland, 2,182,783 (2,334,627) cubic feet; followed by Sweden, 962,390 (969,801) cubic feet; Czechoslovakia, 409,413 (138,234) cubic feet; United States, 404,972 (346,478) cubic feet; Russia, 351,876 (179,728) cubic feet; Norway, 339,947 (320,066) cubic feet; and Canada, 177,228 (177,428).

Imports under this heading from Canada were disappointing, as it had been hoped that there would have been an increase over the 1936 figures, in view of the large amount of building that has taken place and the efforts made to persuade architects to use certain types of Canadian flooring in preference to that used at the present time.

PULPBOARDS

Imports of pulpboards for building showed little improvement over 1936, amounting to 17,673,277 (17,223,662) square feet, of which the United States supplied the bulk with a well-known brand—8,322,794 (9,728,412) square feet valued at £50,499 (£59,063). Canada followed with 3,477,008 (3,445,562) square feet. United States imports, therefore, showed a substantial drop, while Canadian imports remained substantially the same. On the other hand, there was a large increase from Finland, with 2,751,636 (1,251,687) square feet valued at £15,735 (£6,946); and also from Sweden, with 2,178,642 (1,210,142) square feet valued at £13,706 (£7,462).

HOSIERY

Silk and artificial silk hosiery maintained its position as the second most important commodity shipped to South Africa from Canada. Imports under the heading "hosiery, other," which includes men's and children's half-hose of silk and artificial silk, continued to increase, imports being valued at £656,737 (£632,375). Imports from Canada, while accounting for 43 per cent of the total imports, were nevertheless considerably lower than in 1936. On the other hand, imports from Japan in 1937 were valued at £160,128 (£120,080), showing a large increase. Imports from the United Kingdom also declined to £76,846 (£90,628), while those from the United States increased to £75,895 (£68,236). Italy showed a substantial increase to £23,902 (£26,099). Czechoslovakia, Germany, and Hongkong were also sources of supply.

Imports of cotton hosiery, including half-hose, were valued at £121,925, of which nearly 50 per cent came from the United Kingdom. Imports of woollen hose, all kinds, were valued at £131,264, almost entirely from the United Kingdom.

WOMEN'S OUTER GARMENTS

In this commodity Canada increased her exports by over 300 per cent in 1937; the Dominion's share a few years ago was almost negligible. The imports consist almost entirely of ladies' dresses, and in view of the large quantity imported into the Union, there is no reason why Canadian manufacturers should not continue to double and even treble their share of the imports in the next two or three years. Total imports under this heading last year were valued at £2,319,230 (£2,050,692). The United Kingdom was the chief source of supply with over 50 per cent, while the balance was divided largely among five countries: the United States with £396,816 (£318,798); Japan, £228,206 (£126,762); Germany, £131,810 (£158,885); and Canada, £83,301 (£34,687).

WOMEN'S UNDERCLOTHING

Imports under this heading, consisting chiefly of vests, knickers, slips, and rayon combinations, have been fairly steady during the past four years. Canada's share has been maintained at about the same figure throughout this period. The United Kingdom was the chief source of supply with imports valued at £86,515 (£89,476); followed by Czechoslovakia with £33,202 (£22,162); Germany, £10,082 (£14,605); United States, £10,871 (£13,578); and Canada, £5,870 (£5,303).

RUBBER-SOLED CANVAS SHOES

Considering the many factories now making this type of shoe in the Union, it is noteworthy that while imports declined, they nevertheless remained high. In 1937 a total of 1,120,446 (1,345,173) pairs were imported. Japan having obtained the lead as a source of supply some years ago, continued to command the largest share of the market with 643,876 (901,092) pairs valued at £16,104 (£19,326); followed by Czechoslovakia with 277,080 (307,541) pairs valued at £13,965 (£16,294) and the United Kingdom, 94,720 (57,390) pairs valued at £10,737 (£6,823). Canada's share amounted to 64,641 (55,381) pairs.

BOOTS AND SHOES OF RUBBER

Total imports in 1937 amounted to 165,218 (96,542) pairs, of which Canada supplied the largest share—67,840 (36,038) pairs—followed by Japan with 38,475 (17,344) pairs valued at £4,507 (£2,231) and the United Kingdom, 32,562 (21,506) pairs valued at £9,577 (£5,507).

APPLES

Imports of fresh apples into South Africa remain fairly steady from year to year, recording increases or declines largely in accordance with the extent of the local crop. Total imports in 1937 amounted to 58,944 (65,488) boxes, of which Canada supplied the bulk, 47,047 (46,828) boxes, and the United States chiefly the balance.

CANNED SALMON AND SARDINES

The heading "preserved fish, other," includes canned salmon, canned herrings, canned sardines, and, in fact, all types of preserved fish with the exception of fish pastes, caviare, lax, lobster, and anchovies. Total imports amounted to 13,282,149 pounds as compared with 10,504,007 pounds in 1936. Canada is the chief source of supply with 6,255,669 (4,693,260) pounds valued at £126,702 (£102,096), which is a substantial increase. Imports from Japan, the next largest source of supply, consisted chiefly of salmon and also showed a substantial increase with 1,999,148 (1,260,386) pounds valued at £32,416 (£24,622). Norway is the largest supplier of sardines and is credited with £1,894,461 (1,636,273) pounds valued at £92,011 (£75,567). The United Kingdom was fourth in importance with 1,250,115 (1,312,402) pounds, and the United States fifth with 631,927 (747,206) pounds.

It is a matter of regret that in the salmon trade of South Africa the better class of purchased salmon consists chiefly of well-advertised English brands, which may be of Canadian, Japanese, or Russian origin. Direct imports from Canada consist largely of chum salmon, the pink variety coming from Japan. As a result an impression is being created in the trade in South Africa and, in fact, among the purchasing community generally, that Canada is a source of supply for only poor-quality salmon.

CANNED VEGETABLES

This is another commodity the imports of which may be expected to decline, especially in canned beans and peas, due to local production. The imports of

beans and peas amounted to 1,502,168 (2,105,884) pounds, of which the United States was the chief source of supply with 789,385 (936,387) pounds valued at £14,782 (£16,130). The United States share, however, showed a substantial decrease, in keeping with a decline in the total imports, while Canada showed an increase with 421,557 (394,050) pounds. The United Kingdom, the only other source of supply, also showed a heavy decline to 133,949 (278,088) pounds valued at £2,109 (£3,538). Imports under the heading "other types of preserved vegetables," consisting largely of sweet corn, for which there are no separate statistics, totalled 2,836,836 (2,450,019) pounds. The United States supplied 1,355,328 (1,407,386) pounds and Canada 900,700 (720,393) pounds. It may be assumed that the above figures, as far as Canada is concerned, are almost entirely for sweet corn, and undoubtedly 50 per cent of the volume credited to the United States represent the same item. Sales of this product depend largely on price. There is a good market for sweet corn, on which the duty is still reasonable, and imports will probably increase, or at least remain at their present high level. Imports of canned tomatoes are negligible.

TREND OF TRADE

No drastic change in South African customs duties is looked for, although there may be a few adjustments downward if present prosperity continues. It may be expected that the government policy of fostering secondary industries will be continued.

The South African steel industry, which started production in 1935, must be considered an unqualified success. It has naturally resulted in the establishment of a number of subsidiary industries using steel as a raw product. This has affected the imports from those countries which in the past have been interested in supplying steel or steel products such as wire, wire nails, chain, rails, pipes, etc., to South Africa.

South Africa's first large pulp and paper mill is now under construction, with plans for several others contemplated or in course of development. It will not be long, therefore, before South African imports of paper, as in the case of steel and steel products, will be reduced. Canada, as a source of supply for newsprint and other types of paper, will sooner or later feel the effect of this new development. On the other hand, the Dominion may become a source of supply for pulp if there is an insufficient supply of local raw materials.

Rubber tires formerly ranked second among imports from Canada into the Union, but shipments are declining rapidly, while imports of unmanufactured rubber to meet the requirements of the three local tire factories are increasing.

Statistics of Canada's trade with the Union in recent years, on the other hand, indicates there are opportunities for developing sales of women's clothing. Hosiery now ranks second among imports from Canada, and both women's under- and outer-clothing have shown increases, especially the latter. There is a wide market in this country for ladies' dresses, and Canada's share of the imports has shown a noteworthy increase in the past three years, with indications of greater expansion during 1938. While Canada's piece-goods have never been competitive, Canadian soft goods ready to wear have a definite appeal and are competitive with imports from other sources of supply for the better type of article.

It is, however, to lumber, as pointed out in previous reports, that Canada will have to look more and more in future years to maintain her present trade. Even in this product, the Union has large timber reserves, planted many years ago, which are now considered ready for cutting. It is felt, however, that even if the Union should eventually be able to produce a sufficient amount of lumber for its own needs, it will not be for many years, and the cost of production will always remain an important factor.

TRADE COMMISSIONERS ON TOUR

Mr. Yves Lamontagne, Canadian Trade Commissioner at Brussels, Belgium; Mr. A. B. Muddiman, Canadian Trade Commissioner at Milan, Italy (whose territory includes Spain, Portugal, Gibraltar, Malta, Albania, and Yugoslavia); Mr. M. J. Vechsler, Canadian Trade Commissioner at Lima, Peru (whose territory includes Bolivia, Ecuador, and Chile); Mr. H. A. Scott, Canadian Trade Commissioner at Shanghai (whose territory includes Central and North China); and Mr. W. J. Riddiford, Canadian Trade Commissioner at Panama City (whose territory includes the Canal Zone, Venezuela, Colombia, Nicaragua, and Costa Rica), are visiting the principal industrial centres of Canada in the interest of Canadian trade with their respective territories. Their itineraries are as follows:—

Mr. Lamontagne

Ottawa	July 28 to 30	Winnipeg	Aug. 12
Vancouver	Aug. 4 to 10		

Mr. Muddiman

Fort William	July 11	Vancouver	July 19 to 28
Winnipeg	July 12 to 15		

Mr. Vechsler

Hamilton	July 11 and 12	Stratford	July 25
St. Catharines	July 13 and 14	Kitchener	July 26 to 28
Niagara Falls	July 15	Oakville	July 29
Brantford and Paris	July 18	Ottawa	Aug. 2
London	July 19 and 20	Winnipeg	Aug. 4
Chatham	July 21	Vancouver	Aug. 10 to 24
Windsor and Walkerville	July 22		

Mr. Scott

Ottawa	July 11 to 14	St. Hyacinthe	Aug. 2
Montreal	July 15 to 30	Saint John	Aug. 4
Granby	Aug. 1	Halifax	Aug. 5 and 6

Mr. Riddiford

Vancouver	July 12 to 27	Ottawa	Aug. 2 and 3
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Firms who wish to be brought in touch with the Trade Commissioners should communicate: for Winnipeg and Vancouver, with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other centres, with the respective Board of Trade or Chamber of Commerce.

TRADE OF MALTA IN 1937

J. C. DEPOCAS, ASSISTANT TRADE COMMISSIONER

(£1 sterling equals \$4.90; figures within parentheses are for 1936 or the corresponding period of that year)

Milan, June 1, 1938.—The total value of the trade of Malta in 1937 (excluding bullion and specie) was £4,269,655 as against £3,636,493 in 1936, an increase of 17 per cent. Imports for consumption rose from £3,441,393 to £4,019,089, or by 17 per cent; and exports, which are always limited, increased from £195,000 to £250,566 or by 30 per cent.

IMPORT TRADE

The increase of £577,696 in imports is due partly to larger volume and partly to higher prices, especially for alimentary products and raw materials for the industries. Imports of wheat advanced from 18,020 tons (£135,332)

to 30,550 tons (£318,800), while those of wheat flour decreased in volume from 199,634 cwts. to 176,016 cwts., but their value increased from £95,729 to £123,926. Imports of live animals also decreased in volume from 87,569 cwts. to 85,293 cwts., while the value rose from £96,261 to £117,770.

Among alimentary products, fish, fruits, lard, milk, spirits, and tea showed the most important increases both in volume and value, and contributed, with the others mentioned above, to the increase in the value of the imports of this class of goods from £1,296,152 to £1,616,921.

The list of raw materials and articles partly manufactured for the Maltese industries is brief, their total value representing only one-third that of alimentary products. This value advanced from £466,383 in 1936 to £576,689 in 1937, and the increase corresponds to an increase in the imports of coal from 136,825 tons (£190,211) to 161,883 tons (£250,991) and of petrol spirits from 3,115,158 gallons (£133,838) to 3,296,988 gallons (£143,376). Imports of petroleum decreased in volume from 4,869,394 gallons to 4,202,977 gallons, but increased in value from £59,174 to £67,230.

Imports of manufactured goods showed a small increase from £1,302,594 to £1,371,735.

DISTRIBUTION OF IMPORTS

The twelve leading sources of supply during 1937 were: United Kingdom, £1,031,212 (£1,007,136); Italy, £310,794 (£112,370); Roumania, £290,797 (£265,244); Germany, £192,424 (£219,215); Turkey, £180,708 (£71,742); Australia, £161,537 (£85,936); Canada, £145,232 (£112,801); Netherlands, £145,180 (£132,195); Yugoslavia, £138,179 (£119,905); Poland, £126,353 (£77,941); Belgium, £122,577 (£102,795); United States, £113,411 (£72,933).

Japan, ranking sixth in 1936, dropped to thirteenth place, owing to reduced shipments of textiles, fancy goods, and boots and shoes, while Italy reverted to second position, which she lost in 1936 owing to sanctions.

Imports from the United Kingdom alone represented 25 per cent of the total imports into Malta, and those from the above-mentioned twelve countries accounted for about 73 per cent.

Imports from British Empire countries (United Kingdom excluded) were valued at £429,301 (£327,765) or slightly over 10 per cent of total imports. Australia with £161,537, Canada with £145,232, and New Zealand with £40,518 occupied the three leading positions in this group.

PRINCIPAL IMPORTS

The main imports from the principal sources of supply were as follows:—

United Kingdom.—Textiles, metals and manufactures thereof, motor vehicles, soap, coal, sugar, tobacco, and spirits.

Italy.—Textiles, beans, fruits, and fish.

Roumania.—Petroleum, wheat, barley, and Indian corn.

Germany.—Coal, metals and manufactures thereof, textiles, glass and glassware.

Turkey.—Beans, caravances, cotton seed, and barley.

Australia.—Wheat, wheat flour, meat, and butter.

Canada.—Wheat, wheat flour, motor vehicles, and cheese.

Netherlands.—Preserved milk, lard and lard substitutes, butter and butter substitutes.

Yugoslavia.—Bullocks, wood and timber, Indian corn, cement, and wheat.

Poland.—Coal, meat, bullocks, metals and manufactures thereof.

Belgium.—Metals and manufactures thereof, glass and glassware, chocolates, earthenware, and biscuits.

United States.—Wheat, automobiles, tobacco, fruits, metals and manufactures thereof, and wireless sets.

TRADE WITH CANADA

The value of imports from Canada into Malta, according to Maltese statistics, increased by 29 per cent during 1937—from £112,801 in 1936 to £145,232—but the Dominion remained in seventh position among the leading sources of supply. This increase, as in the case of other supplying countries, is due more to an advance in price than in volume of the two most important products imported from Canada, wheat and wheat flour. The contrary is the case for cheese, imports of which from Canada nearly doubled in volume, following a marked reduction in the import price.

The table hereunder shows Malta's imports from Canada for the past three years:—

Imports from Canada into Malta

	1935	1936	1937
Total	£ 124,664	112,801	145,232
Wheat	tons 11,013	6,208	5,562
	£ 74,008	53,410	67,719
Flour	cwts. 46,767	50,357	51,270
	£ 24,004	28,579	40,763
Cheese	cwts. 520	742	1,400
	£ 1,197	2,550	4,676
Motor vehicles	£ 16,236	17,217	23,149
Others	£ 9,219	11,045	8,925

WHEAT

During 1937 Malta purchased abroad 30,550 (17,844) tons of wheat at a price of £318,800 (£135,332), an increase as compared with 1936 of 70 per cent in volume and 136 per cent in value, from the following countries:—

Imports of Wheat into Malta

	1936		1937	
	Tons	£	Tons	£
Australia	1,567	11,450	7,235	80,967
India	1,000	8,752	.....	.....
Canada	6,208	53,410	5,562	67,719
Argentina .. .. .	.....	.....	2,992	25,563
Algeria	513	3,731	1,165	12,373
Bulgaria	200	1,670	998	9,876
Egypt	39	162	398	4,052
Hungary .. .. .	.....	.....	1,045	9,351
Poland	496	3,399	.....	.....
Portugal	1,022	6,411	.....	.....
Roumania	3,606	24,879	7,876	73,615
Russia .. .. .	.....	.....	150	1,335
Tunis .. .. .	.....	.....	1	9
United States	345	2,959	2,578	28,602
Yugoslavia	2,848	18,509	550	5,338
	17,844	135,332	30,550	318,800

With the exception of Canada, almost every wheat-exporting country increased the volume of its shipments to Malta. The improvement in the positions of Australia, Roumania, Argentina, and Hungary (the last two entering this market after an absence of two years) is attributable to lower prices.

Canada, leading supplier in 1936, dropped to third place behind Australia, first in value, and Roumania, leading in volume, and was one of the few countries to register a decrease in volume.

WHEAT FLOUR

Imports of wheat flour dropped in volume from 198,243 cwts. to 176,016 cwts. but increased in value from £95,729 to £123,926. Australia maintained first place among supplying nations with about 50 per cent of the volume—86,019 cwts. valued at £50,021.

Canada was again second with 51,270 (50,357) cwts. valued at £40,763 (£28,579), an increase in volume (which is noteworthy in view of her reduced shipments of wheat) at a much higher price.

Other supplying nations were France, the United Kingdom, Hungary, the United States, and Bulgaria.

Imports of wheat flour were larger in 1937 as compared with 1936 but show a decreased trend as compared with the preceding years. In 1933 they totalled 266,108 cwts.; in 1934, 238,566 cwts.; and in 1935, 159,022 cwts. With imports of wheat steady, or inclined to increase, and the local flour production well protected, it is unlikely that the record figure for flour imports in 1933 will again be reached. There were formerly five mills in Malta, but a new modern mill with the latest type of machinery has recently begun operations, which will undoubtedly influence the future trend of flour imports towards further reduction. Competition in the flour trade is keen and prices at all times must be at rock bottom. Local importing concerns usually buy for their own account, reselling to wholesalers 100 to 1,000 bags at a time on ninety-day credits. An importer may sometimes represent two millers in the same country; he is sure to represent millers located in different countries, such as Australia, Canada, and the United States. Importers, wholesalers, and bakers are always on the lookout for the best offers.

CHEESE

There was a slight reduction in the importation into Malta of cheese from all countries of supply from 14,533 cwts. in 1936 to 14,267 cwts. in 1937, values rising from £47,558 to £49,454. In the case of most countries supplying this market the increase was small. Italy and Canada, however, almost doubled their shipments of 1936, Italy's share increasing from 1,577 cwts. (£6,801) to 3,130 cwts. (£12,025) and Canada's from 742 cwts. (£2,550) to 1,400 cwts. (£4,676). Italy's advance follows her reappearance in this market after sanctions, while Canada's figures seem to indicate the increasing trend of the market.

According to Maltese statistics, imports from Canada amounted to 520 cwts. in 1935, 742 cwts. in 1936, and 1,400 cwts. in 1937. Imports in 1938 will no doubt be maintained provided Maltese importers are successful in establishing contact with additional Canadian exporters of this product. Inquiries to this effect were published in the *Commercial Intelligence Journal* but failed to arouse any interest.

OTHER COMMODITIES

The following is a brief summary of the total imports into Malta of other commodities of interest to Canada:—

Fish, Chilled.—Total, £10,753 (£7,899): Canada, £364 (£132).

Fish, Cured, Dried, or Preserved by Salt Only.—Total, £24,397 (£16,160): Canada, £279 (nil).

Fish, Otherwise Preserved.—Total, £15,531 (£15,547): Canada, £550 (£986).

Other Fresh Fruits.—Total, £22,016 (£15,617): Canada, £290 (£806).

Other Manufactured Grains.—Total, £2,826 (£2,101): Canada, £699 (£415).

Lard.—Total, £40,898 (£35,172): Canada, £1,288 (£1,144).

Powdered Milk.—Total, £5,451 (£4,567): Canada, £288 (£218).

Tomato Sauce.—Total, £6,375 (£13,347): Canada, £121 (£160).

Sauces and Condiments.—Total, £6,322 (£8,872): Canada, £843 (£659).

Sausage Casings.—Total, £638 (£554): Canada, £252 (£110).

Automobiles.—Total, £59,243 (£57,083): Canada, £14,575 (£11,836).

Truck Chassis.—Total, £17,196 (£19,313): Canada, £8,351 (£4,794).

Photographic Goods.—Total, £9,214 (£7,861): Canada, £573 (£580).

Hosiery.—Total, £33,870 (£31,726): Canada, £1,006 (£1,121).

Other articles imported from Canada in small quantities were: biscuits, lard substitutes, tinned and potted meats, condensed milk, puffed rice, spirits,

men's and women's leather and rubber shoes, eyelets and hooks, electrical goods, haberdashery, hats and caps, india-rubber goods, hardware, marine motors, typewriters, automobile parts, cardboard boxes, soap, stationery, cotton manufactures, toilet requisites, and wireless sets.

EXPORTS

Exports from Malta were valued at £250,566, an increase of £55,466 over the 1936 figure. The leading purchaser of Maltese goods was the United Kingdom with £118,845. The most important items of export were: potatoes, £116,610 (£98,180); hides and skins, £28,103 (£14,970); scrap metals, £21,508 (£8,835); buttons, £15,065 (£5,134); smoking requisites, £14,475 (£12,927); onions, £11,861 (£11,599); beer, £7,727 (£12,900); and cumin seed, £7,637 (£6,715).

Exports of Maltese goods to Canada were negligible.

ARGENTINE PAPER MARKET

J. A. MacDONALD, ASSISTANT TRADE COMMISSIONER

(One Argentine peso equals approximately \$0.33 Canadian)

Buenos Aires, May 28, 1938.—Argentina possesses no softwood forests of great importance, and the domestic timber is for the most part unsuitable for the manufacture of paper. During the war, wood-pulp was produced from willow and poplar logs, but the practice was discontinued when supplies of imported mechanical pulp became available at competitive prices. There is a considerable production of pulp from wheat and linseed straw, but for the most part the Argentine paper industry is dependent on foreign sources for its raw material.

EXPANSION OF THE INDUSTRY

The industry was first established some forty years ago, and it expanded slowly but steadily under the protection of a high tariff. By 1930 it has been estimated that about 40 per cent of the country's requirements of paper were produced locally. The paper industry did not escape the effects of the economic depression, but it received a great impetus from the emergency duty which was applied in 1931 and never removed.

Thus protected, the paper industry has continued to expand rapidly, particularly during the past three years. Between 1931 and 1935 the output of paper and cardboard increased 50 per cent. Subsequent developments are believed to be even more impressive, although the lack of official statistics precludes a reliable analysis of the progress which has been made.

ORGANIZATION

According to figures published last year by the Industrial Census Commission of the Ministry of Agriculture, there were 211 companies engaged in the production of paper and paper products, with a total aggregate capital of 36,870,103 pesos. These establishments were grouped according to their several activities as follows:—

	Producing Companies Number	Capital Invested Pesos
Paper and cardboard	22	23,783,937
Envelopes and paper bags	48	3,369,012
Cardboard containers	94	6,810,835
Miscellaneous paper products	41	2,812,029
Scrap paper, sorting and bailing	6	94,300
Total	211	36,870,103

It should be noted that the above statistics refer to an industrial census taken in 1935—prior to the recent expansion. While more up-to-date figures are not available, it is known that the capitalization of these companies is very much greater than shown above, and their activities are more diversified.

CLASSES OF PAPER PRODUCTS

Most classes of paper, other than specialty lines, are now produced in Argentina, but the quality in many cases is well below the standard of imported paper. The principal products of the industry are wrapping paper, of which over 90 per cent of domestic requirements is produced locally, and printing and writing papers in the medium to low grades. The bulk of the wrapping paper produced is made by thirteen companies, all but three of which are located in Buenos Aires. The printing and writing paper is produced chiefly by five large companies, all located in the federal capital.

SPECIAL PAPERS

Paper specialties were not formerly produced in Argentina, but a start has recently been made in certain lines. Glacine and grease-proof paper is now being made locally, although production is small. Toilet paper is also being produced, in addition to emery paper, carbon paper, and wallpaper.

Tissue paper is not made to any extent, and no cellulose paper has been produced up to the present. Cigarette papers are not made locally, although it is rumoured that a plant will begin operations shortly. Blotting and filter papers have been produced, but not to any great extent. Art coated papers are not yet produced in Argentina.

CARDBOARD

Grey boards for the manufacture of cheap containers are produced on a large scale, chiefly from paper waste and straw pulp. Large quantities of brown boards and leather boards are also produced from mechanical pulp imported from Scandinavia. White wood-pulp boards and building boards are not made locally. Corrugated boxes of the better class will shortly be made from imported pulp.

WOOD-PULP

With the expansion of the domestic paper industry, imports of mechanical and chemical pulp have increased. Argentine statistics do not differentiate between the various classes of pulp imported, but the following table shows total imports for 1929 and the years 1934 to 1937 inclusive:—

Argentine Imports of Wood-pulp

	1929	1934	1935	1936	1937
	Figures in Metric Tons of 2,205 Lbs.				
Germany	16,653	11,827	3,694	3,320	599
Austria	227	51	.....	196	.....
Canada . . . . .	.....	852	614	.....	.....
Czechoslovakia . . . . .	.....	548	914	2,570	902
United States	1,135	53	.....	.....	1,011
Finland	2,424	3,417	8,842	9,360	8,464
Lithuania	3,283	3,278	2,729	.....	.....
Norway	137	950	1,220	4,759	4,875
Portugal . . . . .	.....	201	201	.....	.....
Sweden	5,045	9,389	10,334	16,827	27,107
Switzerland . . . . .	.....	203	.....	122	.....
Other	1,791	52	1	.....	.....
	30,695	30,820	28,549	37,154	42,958

It has been estimated that, roughly, one-third of the total imports consist of bleached sulphite and one-third of unbleached sulphite. The quantity of sul-

phate or kraft pulp imported annually would be upwards of 8,000 tons, in addition to which the industry consumes some 2,000 tons of imported mechanical pulp. The tonnage credited to the United States in 1937 would be for consumption by the first rayon factory to operate in this country, established last year.

Much of the imported wood-pulp is mixed with locally manufactured wheat-straw base stock and scrap paper. One local mill produces 90 tons per day of wheat-straw pulp.

IMPORTS

Despite a highly protected and flourishing domestic paper industry, Argentina offers a large market for imported paper. In general, the better classes of book, writing, bond, and art papers are imported, as well as newsprint and the heavier kraft papers. The following table shows total imports of paper and cardboard for 1929 and the years 1934 to 1937 inclusive:—

Argentine Imports of Paper and Cardboard

	1929	1934	1935	1936	1937
Paper and Cardboard	Figures in Metric Tons of 2,205 Lbs.				
Chief Classes—					
Newsprint	126,926	138,822	140,403	148,584	169,070
Writing, book, etc.	29,939	18,317	17,533	20,159	31,511
Wrapping, all kinds	7,920	7,581	7,927	7,920	9,917
Cardboard	18,785	14,661	15,080	17,994	21,218
Specialties—					
Cigarette paper	516	629	698	718	1,740
Toilet paper	840	829	844	1,031	1,382
Blotting paper	437	261	268	354	342
Filter paper	123	51	59	66	62
Tissue paper	241	140	186	158	173
Ribbon, etc.	216	112	103	78	138
Photographic, etc.	242	126	163	157	234
Wallpaper	1,281	784	841	710	948
Carbon paper	51	29	34	31	41
Emery paper	435	104	139	116	193
Cellulose paper . . . . .	.....	118	205	245	332
Other paper and cardboard..	2,430	1,346	1,497	1,951	2,400
	190,282	183,910	185,980	200,272	239,701

NEWSPRINT

Imports of newsprint have increased steadily in recent years, as shown by the above figures. This is one indication of the relative prosperity enjoyed by Argentina during this period. The following table shows imports of newsprint by countries of origin for the past three years and for the first three months of 1937 and 1938:—

Argentine Imports of Newsprint

	1935	1936	1937	Jan-Mar., 1937	Jan-Mar., 1938
	Figures in Metric Tons of 2,205 Lbs.				
Canada	55,262	55,284	64,769	8,517	9,446
Finland	27,116	27,278	42,254	11,216	8,921
Norway	12,414	39,109	32,415	9,680	4,269
Sweden	32,719	25,120	26,665	7,503	4,739
Newfoundland	4,061	.....	.....	.....	.....
Sub-total	131,572	146,791	166,103	36,916	27,375
Russia	1,370	11	.....	.....	.....
Germany	7,350	1,272	1,058	245	204
Austria	31	184	1,716	1,502	69
Estonia	23	54	.....	.....	.....
Poland . . . . .	.....	269	132	132	.....
United States . . . . .	.....	.....	25	.....	.....
United Kingdom	54	.....	.....	.....	.....
Other	2	3	30	13	2
Total	140,402	148,584	169,064	38,808	27,650

Newsprint enters Argentina duty free if watermarked according to regulations. The use of paper so watermarked is prohibited for any purpose other than printing.

Newsprint consumption this year is expected to be considerably below the level of 1937. Stocks carried over from last year have been estimated at 15,000 tons above normal, in addition to which the prohibition of imports of duty-free newsprint for wrapping paper will further reduce consumption. Formerly imports of newsprint for wrapping purposes amounted to upwards of 20,000 tons annually.

WRAPPING PAPER

As previously stated, the bulk of the wrapping paper consumed in Argentina is produced by the domestic industry. There remains, however, a considerable demand for the heavier kraft paper such as is used for the manufacture of cement and lime bags. The following table shows imports of wrapping paper weighing over 25 grams per square metre:—

Argentine Imports of Wrapping Paper Over 25 Grams per Square Metre

	1935	1936	1937	Jan.-Mar., 1938
	Figures in Metric Tons of 2,205 Lbs.			
Austria .....	....	....	....	76
Estonia	25	16	....	21
Italy	37	15	....	6
Sweden	3,838	3,641	4,698	1,641
Czechoslovakia	644	757	727	156
Finland	110	291	689	73
Norway	136	420	263	340
Germany	97	108	153	52
Belgium	47	26	50	17
Canada	17	27	....	....
United States	523	377	481	187
Holland	413	157	80	23
United Kingdom	224	156	192	65
Other	8	10	269	....
	6,119	5,996	7,612	2,660

It has been estimated that about three-fifths of the total heavy kraft imported in 1937 was consumed by two companies located in Buenos Aires. The paper was used almost exclusively for the production of cement bags, and Sweden was the principal supplier. Another 650 tons of this type of kraft went to two or three small cement bag firms, and the balance, mostly from Germany, Norway, the United Kingdom, and the United States, was for the manufacture of heavy envelopes, emery paper, and other products.

The Swedish and Finnish kraft most suitable for the manufacture of bags weighs from 70 to 80 grams per square metre. The increased consumption of this type of paper was due to the expansion of the local cement industry which operated to full capacity during 1937.

The following table shows Argentine imports of wrapping paper under 25 grams per square metre:—

Argentine Imports of Wrapping Paper Under 25 Grams per Square Metre

	1935	1936	1937	Jan.-Mar., 1938
	Figures in Metric Tons of 2,205 Lbs.			
Germany	411	515	485	113
Belgium	129	177	308	62
United States	107	49	48	8
Finland	53	65	35	25
France	189	123	212	44
Norway	252	214	318	78
Holland	27	49	66	6

Imports Under 25 Grams per Square Metre—Concluded

	1935	1936	1937	Jan.-Mar., 1938
	Figures in Metric Tons of 2,205 Lbs.			
United Kingdom	229	328	375	98
Italy	1	31	30	17
Sweden	258	211	189	65
Austria	7	14	33	22
Czechoslovakia	61	77	116	53
Other	8	3	3	10
	1,732	1,856	2,218	601

The limited quantity of light kraft imported is used as wrapping paper and for the production of envelopes and containers where a high grade of kraft paper is required.

The duty on wrapping paper weighing over 25 grams per square metre works out at 3·7 cents Canadian per pound (3 Argentine pesos to the dollar). The duty on wrapping paper up to 25 grams per square metre comes to 5·7 cents Canadian per pound.

PAPER BAGS

According to Argentine statistics, 8·9 tons of paper bags of all classes were imported in 1936 as against 9·6 tons in 1935, 15·4 tons in 1934, and 59 tons in 1929. Since grocery bags are used very little in Argentina, recent imports would be special types of bags for high-class stores. Formerly the bulk of the paper bags used came from the United States. Now the domestic industry supplies most of the market requirements.

The import duty on paper bags is 32 per cent or 47 per cent, according to weight, on a fixed valuation of 1·273 peso per 2·2 pounds, or from 6 cents to 8·9 cents Canadian per pound.

CARDBOARD

Argentine statistics divide imports of cardboard into four categories: unglazed, fine, cut, and general. The following table shows imports under the various headings for the past three years:—

	1935	1936	1937	Sources of Supply
	Metric Tons of 2,205 Lbs.			
Cardboard:				
Unglazed	10,346	12,350	15,123	Finland, Holland, Sweden
Fine	2,945	3,404	3,880	Norway, Sweden
Cut	62	356	112	United States, Germany
General	1,725	1,682	2,102	Germany, Belgium, United Kingdom
Total	15,078	17,792	21,217	

Canada is credited with supplying 18·4 tons of "ordinary cardboard" in February, 1938. This, however, represents shipments of wallboard, which the official statistics classify under the general heading. Wallboard is subject to the exchange surcharge referred to earlier in this report. Imports of wallboard from Canada amounted to 33 tons in 1936, 128 tons in 1935, and 124 tons in 1934.

ECONOMIC CONDITIONS IN CUBA IN 1937

C. S. BISSETT, CANADIAN TRADE COMMISSIONER

Havana, May 31, 1938.—The marked improvement in Cuban economic conditions which featured the years 1935 and 1936 continued well into 1937. It was not until the effects of the recession in business in the United States during the latter part of 1937 began to be felt in Cuba that a contraction in trade activities took place. Unfortunately, this tendency still persists, although it had not gathered sufficient momentum by the end of the year to counterbalance the progress made during the earlier months.

Both exports and imports increased notably in value, the former by over 20 per cent and the latter by more than 25 per cent. The favourable balance

of trade amounted to 43 per cent of the total imports. This was accomplished in spite of considerably lower average prices for sugar in the latter part of the year than were current in the early months. The returns from sugar, upon which it is said about three-fourths of the total population depend, are a factor of paramount importance in determining whether the country will be prosperous or depressed.

SOCIAL AND ECONOMIC LEGISLATION

Towards the end of the year commercial circles generally became chary of contracting purchases too far ahead, because of rumours that further tax legislation was to be tabled by the Government. Although this did not materialize to the expected extent, it had a retarding influence on forward commitments. The outstanding legislation of the year was the so-called "Three-Year Plan," embodying a program of social and economic reform. This was very comprehensive in scope but, apart from the sugar industry co-ordination law, almost none of its many remaining provisions has been put into effect. Recently it was announced that it would be shelved until economic conditions have so far improved as to make possible, within the country's means, the fulfilment of the entire program. Apart from this, considerable labour and social legislation was passed during the year. Some of the latter has not yet become operative, due to a lack of the necessary funds to implement it. The principal item in the former was a law whereby 80 per cent of all payrolls must be paid to Cuban citizens.

CENSUS RETURNS

According to figures released recently, the population of Cuba as at December 31, 1937, amounted to 4,164,996, which represents an increase of 56,346 or 1.37 per cent as compared with December, 1936. The density of population, according to provinces, per square kilometre, is given as: Havana, 125.27; Matanzas, 42.38; Santa Clara, 40.13; Oriente, 30.58; Pinar del Río, 26.56; and Camagüey, 16.60.

BUDGET AND FINANCE

From present indications there will be a budget deficit of some \$9,000,000 for the 1937-38 fiscal year ending June 30. The estimated expenditure was set at \$78,856,665 and revenue at \$79,200,000. However, various tax laws designed to produce substantial amounts of revenue were never made operative, and unforeseen liabilities combined to unbalance the budget to the above-estimated extent.

Cuba's public debt at the end of the year, according to the Treasury, amounted to \$246,748,173, composed of bonds of various issue dates amounting to \$132,953,920; floating debt, \$90,000,000; interest and finance commissions upon public works, \$23,794,253. On the above population basis the per capita debt was \$59.24.

Havana Customs House collections for the calendar year totalled \$22,794,906 as compared with \$20,607,461 during 1936, an increase of 10.6 per cent, indicating the increased trade of the country for the period under review.

Total bank loans of all banking institutions associated with the Havana Clearing House amounted to \$69,553,043, a noteworthy decrease from the total of \$76,147,496 for the preceding annual period.

Bank clearings increased from \$580,745,654 in 1936 to \$676,246,574 in 1937.

Bank deposits at December 31 amounted to \$138,724,612, comprising current accounts, \$81,074,546; savings accounts, \$51,207,026; other deposits, \$6,443,040.

TRANSPORTATION

Railway earnings during the year amounted to \$20,560,142, made up as follows: passenger traffic, \$4,515,075; excess baggage, \$2,377; express, \$354,117; correspondence, \$240,984; special trains, \$19,080; warehouse charges, \$319,220; rentals, \$298,501; other income, \$1,191,131; transport of goods, \$13,619,657.

The latter figure represents the transport of a total of 16,338,508 tons of freight during the year. This, with its respective revenue in each case, was divided as follows: agricultural products, 8,908,685 tons (\$2,079,276); live animals, 193,022 tons (\$578,111); mineral and forest products, 968,251 tons (\$1,073,050); manufactured goods, 5,382,374 tons (\$8,351,269); foodstuffs and other unspecified products, 886,186 tons (\$1,537,951).

Coastal shipping lines increased the tonnage carried to 362,978 metric tons from the previous year's 357,229 metric tons. The declared values of cargo were \$27,756,680 and \$21,572,888 respectively.

TOURIST TRAFFIC

The tourist trade during 1937 was the best in Cuba's history from the point of view of the number of persons visiting the island. Although actual figures are not available, it is estimated that such visitors left some \$16,000,000 in the country. The total number of tourists, those that stayed some time after disembarking, numbered 62,344 as compared with 48,444 in the preceding year. It is this group which is considered to be much the more valuable from the point of view of tourist income. The number of excursionists, those who do not disembark from cruise ships, totalled 116,152 as against 109,464 in 1936. The total number of the visitors in these years was, respectively, 178,516 and 157,908, an increase of 13 per cent. Due to the recession in business in the United States, it is not expected that the returns for 1938 in this category will reach those given above.

SUGAR INDUSTRY

The sugar industry is of fundamental importance to Cuba. Depression in this industry means depressed economic and financial conditions throughout the whole of the island and, conversely, when sugar prices show a normal profit these conditions improve commensurately. Of the two main factors, assured markets and a profitable sales price, the former was solved in part by the quota extended by treaty to Cuba by the United States. Shipments to other countries are regulated by the world sugar agreement. However, the combined quotas assigned to Cuba, plus local consumption, are at present not much in excess of 60 per cent of the industry's annual production capacity, which is around 5,000,000 Spanish long tons.

The second factor, price, was also partially solved by the tariff preference accorded to Cuban sugar by the United States by the 1934 treaty. As over two-thirds of Cuba's sugar exports are absorbed by that country, the preference in question has been of exceptional benefit to Cuban sugar producers. It has recently acted to balance the losses sustained on sales to other world markets.

Unfortunately the persistent downward trend last year in sugar prices in the United States, a greater decrease than that in world markets relatively, has brought sugar profits in Cuba almost to the vanishing point. Any continuation of this tendency is bound to have an adverse effect on Cuban economy as a whole.

The total exports of raw sugar to the United States during 1937, according to figures issued by the Cuban Sugar Stabilization Institute, amounted to 1,905,607 Spanish long tons. Those to world markets totalled 745,004 tons, the

total exports being, therefore, 2,650,611 tons. In refined sugar the year's exports to the United States were 302,690 tons, and of turbinated, 28,130 tons. Those to all other countries of these two types combined totalled 9,168 tons. One Spanish long ton equals 2.240 Spanish pounds (each equal to 1.014 English pounds) or 2,271.64 English pounds.

For the crop year 1937 the production authorized by law was 2,939,033 tons, but the quantity actually produced was 2,956,075 tons. The surplus from 1936 amounted to 300,000 tons, which gave a total disposable amount of 3,264,859 tons. Of this, in addition to the above exports, local consumption accounted for 158,173 tons, leaving a balance of 456,075 tons to be carried into the 1938 crop year. About ten per cent of the surplus was converted last year into molasses and syrups.

The amounts of other sugar products exported were: final molasses, 149,734,540 gallons; inverted molasses, 160,698,549 gallons; and inverted syrups, 8,163,643 gallons.

The number of sugar mills in operation was 156 as compared with 147 in 1936 and 133 in 1935.

TOBACCO

The volume of the 1937 crop was the greatest since 1931, due to very favourable weather during the growing season. Production totalled 54,615,128 pounds, an increase over the 1936 crop of over 31 per cent and over the 1931-35 average of more than 14 per cent. The "Remedios" tobacco zone accounted for almost the whole of this increased volume, aided somewhat by the "Oriente" zone. The larger acreage sown was also responsible in some measure for the greater harvest. The total production of each district in pounds, with comparative figures for 1936 within parentheses, were: Vuelta Abajo, 19,055,033 (19,574,832); Semivuelta, 2,198,248 (2,570,273); Partido, 1,153,920 (1,137,920); Remedios, 30,114,432 (16,381,530); Oriente, 2,093,495 (1,880,352).

The total exports for the year of tobacco and its products were valued at \$14,924,008, an increase of almost 12 per cent as compared with 1936. This increase, however, was entirely accounted for by leaf tobacco, since manufactured tobacco declined noticeably in value. The United States was, as usual, the chief purchaser, having absorbed over 58 per cent of the total. The United Kingdom was second in importance, its purchases having amounted to somewhat over 15 per cent of the total.

Average prices per 100 pounds for sales to all markets, according to the variety or grade, were: wrappers, \$183.79; fillers, \$24.76; stemmed leaf, \$72.02; trimmings, \$28.60.

OTHER PRODUCTS

The coffee crop also was very much greater than that for 1936. The recently constituted Coffee Institute is in charge of marketing, and no difficulty was encountered in disposing of the entire crop. Total exports for the year, in Spanish quintals of 101.4 pounds each, were 155,697 valued at \$1,122,280 as compared with only 48,736 quintals and \$426,913 in the preceding year.

A good year was also experienced by the fresh fruit and vegetables export trade. Live stock were also in good demand, with prices rather higher than for some years past. The dairying industry has developed to a point where it is able to supply the whole of the island's requirements in dairy products. On the whole, Cuba experienced a fairly satisfactory year. Unfortunately, the unfavourable conditions in the sugar industry have already greatly curtailed commercial activities in this country, and the final results of the present year's trading will undoubtedly show a considerable decrease in almost all branches.

MEXICO'S MINERAL PRODUCTION IN 1937

R. T. YOUNG, CANADIAN TRADE COMMISSIONER

[All values in Mexican pesos; one peso (\$) equals approximately \$0.21 Canadian; one kilo equals 2.2 pounds]

Mexico City, June 7, 1938.—Production of metals in Mexico in 1937 was not adversely affected by labour trouble, as might have been expected. In fact, there was an increase in the value of metals produced of more than a million pesos as compared with 1936, while the demand from abroad for all classes of metals was well maintained throughout the year.

Towards the latter part of 1937 prices tended to decline, but few mines are reported to have found conditions altogether unfavourable, while mine workers were not inclined to enforce demands for higher wages or better social conditions.

Official statistics of production for 1937 have only recently been made available, so that it is not possible to form any estimate of this year's output. The fact that no lay-offs are reported, and no mines have been closed, would seem to indicate that despite a falling market production is holding up.

STATISTICS OF PRODUCTION

According to statistics just issued by the Ministry of National Economy, mining production in 1937 was exceptionally high and profitable, being valued at \$514,015,752 as compared with \$414,202,068 for the previous year, an increase of \$100,000,000 due principally to an increased production of copper, zinc, and lead amounting to approximately 76 per cent of the total increase. The production and values of the respective metals were as follows: gold, 26,326 kilos (\$105,177,442); silver, 2,633,870 kilos (\$136,992,292); copper, 46,076,754 kilos (\$48,581,958); lead, 218,133,972 kilos (\$106,129,721); zinc, 154,624,700 kilos (\$83,733,623); antimony, 10,633,982 kilos (\$12,387,846); graphite, 11,209,527 kilos (\$744,667); cadmium, 619,792 kilos (\$6,368,139); molybdenum, 1,049,315 kilos (\$3,494,217); iron, 89,716,632 kilos (\$2,934,839); arsenic, 10,762,423 kilos (\$2,648,555); mercury, 170,157 kilos (\$1,682,694); bismuth, 141,684 kilos (\$1,029,508); tungsten, 30,680 kilos (\$280,116); vanadium, 44,728 kilos (\$97,507); manganese, 17,214 kilos (\$1,549).

The value of metals exported in 1937 was \$559,777,415 as compared with \$426,000,000 in 1936. Copper, lead, and zinc were principally responsible for this increase. The bulk of the shipments of gold, silver, copper, lead, and antimony went to the United States. Gold exports were valued at \$142,179,633. The total value of zinc exports was \$86,091,411, of which shipments amounting to 56,742 tons went to Germany. Other purchasing countries were Belgium, the United States, France, and Japan.

PRELIMINARY CROP REPORTS FOR NORWAY AND SWEDEN

RICHARD GREW, CANADIAN TRADE COMMISSIONER

NORWAY

Oslo, June 13, 1938.—According to the preliminary report issued by the Director of the Norwegian Department of Agriculture on crop prospects at the end of May, the spring set in very early in the eastern and southern districts, the fields being free from snow as early as March-April. With dry weather prevailing, the spring seeding took place under favourable circumstances. The western districts also had very warm weather in the early spring, followed, however, by cold and rainy weather. In the northern parts of the country, on

the other hand, spring set in at the normal time, and in the northwestern districts somewhat later than usual.

During May the exceptionally cold and dry weather greatly retarded the growth of the crops throughout the country, the drought being so severe in certain districts as to hamper germination. Towards the end of the month, however, there was a slight improvement, but the weather was still too cold to be altogether favourable.

Except in the eastern and southern parts, where the weather has been too dry, the crop prospects for hay and pasture fields are described as being quite good, although development is somewhat late. As regards fruit trees, flowering was abundant in the case of stone fruits and pears, while in the case of apples the flowering varied considerably in the different districts, being, on the whole, slightly below average. Considerable damage has also been caused this year by noxious insects.

SWEDEN

The initial crop report of the Swedish Central Bureau of Statistics at the end of May states that the weather was warmer than usual during the early part of the spring, while from the middle of April and throughout May the temperature was below normal, with heavy night frost in certain parts of the country; there was practically no rainfall. During the last half of May, however, conditions improved, and warmer rainy weather was experienced.

Autumn wheat is reported to have wintered quite satisfactorily except in certain northern districts. Autumn rye, on the other hand, has suffered considerable damage as a result of the unfavourable weather conditions, having had to be replaced by spring rye in many districts. The crop prospects for autumn-sown wheat, based on the average for the whole country, are described as slightly above medium, and for autumn-sown rye as somewhat below medium.

The pasture lands are reported to have suffered considerably as a result of the unfavourable weather conditions during the spring, except in the northern districts, where the prospects are somewhat more promising. The crop prospects for pasture lands for the whole country are described as being somewhat below medium.

UNITED KINGDOM MERCHANDISE MARKS ACT

SANITARY WARE OF POTTERY

The United Kingdom Merchandise Marks Committee have just issued a report on whether imported sanitary ware of pottery should be required to bear an indication of origin applied in a prescribed position and in letters of a minimum size.

Their recommendations are that where any imported sanitary ware is exposed for sale under conditions which do not make it reasonably possible for prospective purchasers to inspect the indication of origin borne at the time of importation in accordance with the existing order, an adhesive label bearing a conspicuous indication of origin must be so affixed to the goods that it can be easily seen at the time of exposure for sale, and that in these circumstances the affixing of such a label shall be deemed to be sufficient compliance with the order.

If this recommendation is adopted, it would be advisable for Canadian manufacturers of sanitary ware, such as sinks, to confer with their United Kingdom customers as to whether or not any action is required in respect to the proposed regulations before the goods are shipped.

TARIFF CHANGES AND CUSTOMS REGULATIONS

Southern Rhodesia

TARIFF CHANGES

The Southern Rhodesia Customs and Excise Amendment Act, promulgated on May 27, 1938, contains a number of changes in the customs tariff. Items of interest to Canada with former and new rates of duty include:—

	Former Rates			New Rates		
	Duty A	Duty B	Duty C	Duty A	Duty B	Duty C
Extracts and essences of all kinds for food or flavouring not elsewhere specifiedad val.	25%	20%	15%	25%	20%	10%
Stoves, ranges, coppers and gratesad val.	20%	10%	5%	15%	10%	Free
Electric cooking and heating appliances, viz.: stoves, kettles, radiators, washing machines, irons, ironing machines, steam raisers and water heatersad val.	20%	10%	5%	15%	10%	Free
Perfumery and toilet preparations, including powders, washes, pomatums, cosmetics, pastes, dyes, hair-oils, but not including tooth powders, tooth pastes and tooth washesad val.	30%	20%	15%	25%	20%	10%
Boxes, wooden: empty or in shooks for packing and delivery of produce and other classes of goodsad val.	5%	5%	Free	Free	Free	Free
Plywood and pulpboard for building purposesad val.	20%	15%	10%	5%	Free	Free

Duty A column is applicable to all countries outside the British Empire.

Duty B column is applicable to Canada, other British Dominions and India.

Duty C column is applicable to United Kingdom and British Colonies.

North China

CHANGE IN CUSTOMS DUTIES¹

(One kilogram equals 220 pounds; 1 G.U. (Chinese Customs gold unit) is equal to approximately U.S.\$0.67)

Mr. M. T. Stewart, Acting Trade Commissioner at Shanghai, writes under date June 9, 1938, that notification was conveyed to the Inspector-General of Customs at Shanghai on May 31 of changes in the tariff schedule enforced as from June 1, 1938, in North and Central China (including Shanghai), replacing the temporary North China tariff issued in January, 1938, by the Provisional Government of Peking. The National Government tariff of 1934 is, however, still in force in South China. Following is a comparative schedule of the old and new duties on commodities of most interest to Canadian exporters:—

Item	Unit	Tariff of 1934	Revised Tariff
Softwood logs, ordinary, rough hewn and round . . .	cu. metre	2.00 G.U.	10% ad val.
Sawn softwood	cu. metre	4.00 G.U.	2.71 G.U.
Softwood, ordinary manufactured (including any process further than simple sawing)—			
Clear, on net measure	cu. metre	6.80 G.U.	4.66 G.U.
Merchantable on net measure	cu. metre	4.80 G.U.	3.09 G.U.
Railway sleepers		10% ad val.	5% ad val.
Salt herring	100 kg.	1.80 G.U.	10% ad val.
Butter	100 kg.	44.00 G.U.	56.21 G.U.
Cheese	100 kg.	44.00 G.U.	25% ad val.
Confectionery		50% ad val.	35% ad val.
Cream and milk, evaporated or sterilized	100 kg.	13.00 G.U.	8.43 G.U.
Milk, condensed	100 kg.	16.00 G.U.	12.07 G.U.
Jams and jellies		35% ad val.	25% ad val.

¹ Replaces announcement in *Commercial Intelligence Journal* No. 1795 (June 25, 1938), page 1047.

Schedule of Duties—Concluded

Item	Unit	Tariff of 1934	Revised Tariff
Macaroni, vermicelli and similar products—			
In bulk	100 kg.	9.00 G.U.	10.74 G.U.
Canned or in any other packing		35% ad val.	25% ad val.
Fresh apples	100 kg.	5.70 G.U.	1.50 G.U.
Wheat	100 kg.	0.50 G.U.	Free
Wheat flour	100 kg.	1.24 G.U.	Free
Barley, oats, rice, maize, buckwheat, rye and paddy		15% ad val.	Free
Whisky—			
In bottles	Case of 9 litres, 12 reputed qts.	21.00 G.U.	13.00 G.U.
In bulk		80% ad val.	50% ad val.
Gin—			
In bottles	Case of 9 litres, 12 reputed qts.	11.00 G.U.	7.00 G.U.
In bulk		80% ad val.	50% ad val.
Sulphate of ammonia	100 kg.	1.20 G.U.	0.50 G.U.
Chemicals and chemical compounds, n.o.p.f.		15% ad val.	12½% ad val.
Medicines, drugs, and medicinal substances, compounds and preparations, n.o.p.f.		25% ad val.	15% ad val.
Bronze powder	100 kg.	28.00 G.U.	23.14 G.U.
Cobalt, oxide of		15% ad val.	12½% ad val.
Asbestos sheets and packing	100 kg.	15% ad val.	16.53 G.U.
Paper, common printing and newsprinting (made chiefly of mechanical wood-pulp) calendered or uncalendered, sized or unsized, white or coloured—			
In rolls	100 kg.	7½% ad val.	1.98 G.U.
Otherwise	100 kg.	2.60 G.U.	1.60 G.U.
Paper, drawing, document, bank-note and bond		30% ad val.	15% ad val.
Paper, packing and wrapping, brown or coloured, glazed or unglazed, plain or laid (including packing paper proofed with pitch or other material and of one or more ply)—			
Of sulphate and/or unbleached sulphite pulp	100 kg.	5.00 G.U.	3.30 G.U.
Otherwise	100 kg.	5.00 G.U.	2.64 G.U.
Wood-pulp, chemical	100 kg.	0.45 G.U.	0.97 G.U.
Wood-pulp, mechanical—			
Dry	100 kg.	0.40 G.U.	0.54 G.U.
Wet (containing not less than 40% moisture)	100 kg.	0.40 G.U.	0.26 G.U.
Sole leather	100 kg.	20% ad val.	16.53 G.U.
Leather n.o.p.f.		20% ad val.	15% ad val.
Living animals		10% ad val.	10% ad val.
India-rubber, crude, old or waste, and gutta-percha, crude		10% ad val.	10% ad val.
Boots and shoes, as also footwear made wholly or partly of rubber		30% ad val.	17½% ad val.
Manufactures of rubber and gutta percha, n.o.p.f. (including tires, i.e., for motor vehicles, rickshaws, etc.)		25% ad val.	20% ad val.
Leather—			
Imitation, and oilcloth		25% ad val.	12½% ad val.
Leather, imitation and oilcloth, manufactures of		30% ad val.	25% ad val.
Linoleum and other floor coverings, n.o.p.f.		30% ad val.	25% ad val.
Musical instruments and parts or accessories thereof		25% ad val.	
		10% ad val.	
		20% ad val.	25% ad val.
Sporting requisites, n.o.p.f.		20% ad val.	10% ad val.
Toys and games, n.o.p.f.		35% ad val.	12½% ad val.
Cotton clothing, and all articles of personal wear, and parts or accessories thereof, n.o.p.f.		40% ad val.	25% ad val.
Hats and caps of felt—			
Made with other materials than beaver or hair, value not over G.U.26.25 per dozen		40% ad val.	15% ad val.
Other hats and caps		40% ad val.	20% ad val.
Woollen clothing and all articles of personal wear and parts and accessories thereof n.o.p.f.		50% ad val.	35% ad val.
Silk clothing, and all articles of personal wear and parts and accessories thereof n.o.p.f.		80% ad val.	50% ad val.
Aluminium—			
Foil, plain, not coloured	100 kg.	43.00 G.U.	39.68 G.U.
Grains, ingots and slabs	100 kg.	6.60 G.U.	7½% ad val.
Sheets and plates	100 kg.	17.00 G.U.	7½% ad val.
Old or scrap iron and steel, fit only for remanufacture. 100 kg.		0.55 G.U.	0.67 G.U.
Lead:			
Pigs and bars	100 kg.	4.00 G.U.	3.63 G.U.
Sheets	100 kg.	4.70 G.U.	4.13 G.U.
Nickel	100 kg.	25.00 G.U.	19.84 G.U.
Electric cookers, fans, flash-lights, irons, lampware, radiators, toasters and other similar electric appliances and parts thereof		25% ad val.	20% ad val.
Electric accumulators, batteries, condensers, and parts thereof		25% ad val.	15% ad val.

The interport duties as revised on October 1, 1937, remain effective.

The revenue surtax is replaced by a 5 per cent relief surtax.

It was also announced on June 1 that "in accordance with government instructions, all regulations concerning the consular invoice shall forthwith be abolished" as regards shipments to North or Central China (including Shanghai).

A few changes have also been made in the export tariff, the principal commodities on which reductions have been made being bristles, raw cotton, goats' hair, hemp, ramie, camels' wool, goats' and sheep wool, and textile fibres, while ores, iron and manufactures thereof, and old and scrap metal can now be exported free of duty.

Portugal

TARIFF ON CODFISH REDUCED

Mr. J. C. Depocas, Assistant Canadian Trade Commissioner in Milan, writes that a Portuguese decree, published May 26, 1938, reduces the duty on codfish, fresh or containing only the salt necessary for its preservation, and refrigerated codfish from 2 to 1.3 gold centavos per kilogram (from \$1 to 65 cents per 100 pounds), under the minimum tariff, which applies to imports from Canada. The duty on dried codfish remains unchanged at 2 gold centavos per kilogram (\$1 per 100 pounds).

In addition to the foregoing duties, there is a surtax of 20 per cent of the duty. The duties are converted into paper currency values by multiplying by 24.45.

France

IMPORT QUOTAS FOR THIRD QUARTER, 1938

Mr. Hercule Barré, Commercial Attaché in Paris, cables that quotas allotted to Canada by France for the third quarter of 1938, by a decree published July 2, 1938, are as follows, in metric quintals of 220.4 pounds: cheese, 400; barley for breweries, 50; barley for other uses, 1,000; sweetened biscuits, 14; lead, 6,047; insulating board, 125; patent leather, 48; calf and other small skins, 7.50; cultivators, 19.75; mowers, 33; other agricultural machinery, 138; positive cinematograph films, 2.90.

(Details of the quotas for the second quarter of 1938 were published in *Commercial Intelligence Journal* No. 1784: April 9, 1938, page 535.)

Netherlands

MONOPOLY TAX ON WHEAT FLOUR

Mr. J. A. Langley, Canadian Trade Commissioner at Rotterdam, writes that by virtue of a ministerial order, effective June 20, 1938, the monopoly tax on wheat flour, to which reference was made in *Commercial Intelligence Journal* No. 1787 (April 30, 1938), page 674, has been increased to fl.4.80 per 100 kilos (\$2.69 per 220 pounds).

Norway

EXPORT OF LIVE FOXES PROHIBITED

Mr. Richard Grew, Canadian Trade Commissioner in Oslo, reports that a Norwegian royal resolution, effective June 3, prohibits the exportation of live silver foxes and live blue foxes without a special export permit from the Norwegian Department of Agriculture.

FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING JULY 5, 1938

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Tuesday, July 5, 1938, and for the week ending Monday, June 27, 1938, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending June 27	Nominal Quotations in Montreal Week ending July 5	Official Bank Rate
Austria	Schilling	.1407			—
Belgium	Belga	.1001	\$.1713	\$.1707	3
Bulgaria	Lev	.0072	.0126	.0125	6
Czechoslovakia	Koruna	.0296	.0352	.0350	3
Denmark	Krone	.2680	.2235	.2226	4
Finland	Markka	.0252	.0221	.0221	4
France	Franc	.0392	.0281	.0280	2½
Germany	Reichsmark	.2382	.4070	.4055	4
Great Britain	Pound	4.8666	5.0062	4.9850	2
Greece	Drachma	.0130	.0092	.0092	6
Holland	Guilder	.4020	.5590	.5562	2
Hungary	Pengo	.1749	.3011	.2992	4
		Unofficial	.1995	.1991	—
Italy	Lira	.0526	.0531	.0530	4½
Yugoslavia	Dinar	.0176	.0234	.0235	5
Norway	Krone	.2680	.2515	.2506	3½
Poland	Zloty	.1122	.1902	.1897	4½
Portugal	Escudo	.0442	.0453	.0453	4-4½
Roumania	Leu	.0060	.0074	.0074	3½
Spain	Peseta	.1930	.0562	.0579	5
Sweden	Krona	.2680	.2580	.2571	2½
Switzerland	Franc	.1930	.2317	.2307	1½
United States	Dollar	1.0000	1.0103	1.0075	1
Mexico	Peso	.4985	.2090	.2046	3
Cuba	Peso	1.0000	1.0096	1.0068	—
Guadeloupe	Franc	.0392	.0281	.0280	—
Jamaica	Pound	4.8666	5.0159	4.9950	—
Martinique	Franc	.0392	.0281	.0280	—
Other British West Indies	Dollar	1.0138	1.0325	1.0309	—
Argentina	Peso (Paper)	.4245	.3337	.3327	3½
		Unofficial	.2627	.2625	—
Brazil	Milreis (Paper)	.1196	.0591	.0590	—
British Guiana	Dollar	1.0138	1.0325	1.0309	—
Chile	Peso	.1217	.0522	.0521	—
		Unofficial	.0404	.0403	—
Colombia	Peso	.9733	.5605	.5652	4
Peru	Sol	.2800	.2325	.2317	6
Venezuela	Bolivar	.1930	.3031	.3023	—
Uruguay	Peso	1.0342	.6588	.6513	—
South Africa	Pound	4.8666	5.0000	4.9800	3½
Egypt	Pound (100 Piastres)	4.9431	5.1325	5.1075	—
China (Shanghai)	Dollar	.....	.1847	.1845	—
Hongkong	Dollar	.....	.3119	.3110	—
India	Rupee	.3650	.3710	.3717	3
Japan	Yen	.4985	.2917	.2907	3.29
Java	Guilder	.4020	.5589	.5576	—
Siam	Baht (Tical)	.4424	.4587	.4534	—
Straits Settlements	Dollar	.5678	.5809	.5820	—
Australia	Pound	4.8666	4.0050	3.9887	3
New Zealand	Pound	4.8666	4.0370	4.0200	2

The Dominion Bureau of Statistics has supplied the following note:—

The Canadian dollar showed unusual strength during the week ended July 4, advancing against both sterling and the United States dollar. The premium on New York funds dropped from 1½ to 1⅓ of 1 per cent, while sterling rates fell from \$5.0058 to \$4.9978. French francs likewise reacted from 2.8086 cents to 2.8025 cents. There was evidence of a capital flow towards New York in the closing days of June as devaluation rumours subsided and rising security and commodity markets attracted idle funds.

TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

Secretary, Board of Trade—

Saint John, N.B.
Halifax, N.S.
Quebec, P.Q.
Montreal, P.Q.
Toronto, Ont.
Chatham, Ont.

Brantford, Ont.
Kitchener, Ont.
Stratford, Ont.
Woodstock, Ont.
St. Mary's, Ont.
Portage la Prairie, Man.

St. Boniface, Man.
Winnipeg, Man.
Vancouver, B.C.
New Westminster, B.C.

Secretary, Chamber of Commerce—

Sherbrooke, P.Q.
Kingston, Ont.
Oshawa, Ont.

Belleville, Ont.
Peterborough, Ont.
London, Ont.

Hamilton, Ont.
Victoria, B.C.
Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

Secretary, Canadian Manufacturers Association—

Toronto, Ont.
Montreal, P.Q.

Winnipeg, Man.
Edmonton, Alta.

Vancouver, B.C.
Victoria, B.C.

Director, Trade Extension, Victoria, B.C.

Commodity	No.	Location of Inquirer	Purchase or Agency
Foodstuffs—			
Canned Fruits.....	393	Nicosia, Cyprus.....	Agency.
Canned Vegetables.....	394	Nicosia, Cyprus.....	Agency.
Miscellaneous—			
Silk Hosiery.....	395	Beirut, Syria.....	Agency.
Handbags, Imitation Leather (for the Australian Market).....	396	New York City, New York.....	Purchase.
Paper Cups.....	397	Batavia, Java.....	Agency.
Corrugated Paper Board.....	398	Alexandria, Egypt.....	Agency.
Laminated Pastry Boards.....	399	Peckham, England.....	Purchase.
Brake Linings.....	400	Alexandria, Egypt.....	Purchase.
Gasoline Pumps, Electrically Operated.....	401	Melbourne, Australia.....	Agency.
Wire.....	402	Birmingham, England.....	Purchase.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Montreal

To Liverpool.—Duchess of Bedford, July 15 and Aug. 10; Montclare, July 23; Duchess of York, July 29; Duchess of Richmond, Aug. 5—all Canadian Pacific; Andania, July 15 and Aug. 12; Antonia, July 29—both Cunard-White Star Line; Taborfjell, Fjell Line, July 16.

To London.—Beaverbrae, July 15; Beaverhill, July 22; Beaverburn, July 29; Beaverdale, Aug. 5; Beaverford, Aug. 12—all Canadian Pacific; Alaunia, July 15; Aurania, July 22; Ascania, July 29; Ausonia, Aug. 5—all Cunard-White Star Line; Rutenfjell, July 13; Ornefjell, July 29; Carmelfjell, Aug. 10—all Fjell Line.

To Manchester.—Manchester Commerce, July 14; Manchester City, July 21; Manchester Citizen, July 28; Manchester Regiment, Aug. 4; Manchester Division, Aug. 11—all Manchester Line; Taborfjell, Fjell Line, July 16.

To Southampton.—Duchess of Richmond, Canadian Pacific, Aug. 24.

To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.—Dorelian, July 23; Dakotian, Aug. 12—both Cunard-Donaldson and Dominion Lines; Boston City, July 16; Bristol City, Aug. 3; New York City, Aug. 22—all Bristol City and Dominion Lines.

To Glasgow.—Sulairia, July 15; Athenia, July 25; Delilian, July 29; Letitia, Aug. 5—all Donaldson-Atlantic Line.

To Newcastle and Leith.—Cairncross, July 13; Cairnvalona (also calls at Dundee), July 20; Cairnglen, July 27; Cairnesk, Aug. 10—all Cairn-Thomson Line.

To Aberdeen and Hull.—Bassano, July 16; Consuelo, Aug. 1—both Ellerman's Wilson Line.

To Belfast and Dublin.—Melmores Head (does not call at Belfast), July 22; Torr Head (does not call at Dublin), July 30; Fanad Head, Aug. 9—all Head Line (cargo accepted for Cork and Londonderry).

To Hamburg and Bremen.—Beaverdale, Canadian Pacific, Aug. 5 (does not call at Bremen); Bochum, Hamburg-American Line, July 29.

To Gothenburg, Stockholm and Helsingfors.—Braheholm, July 29; Lagaholm, Aug. 16—both Swedish-America-Mexico Line.

To Norwegian Ports.—Taborfjell, Fjell Line, July 16; Norefjord, July 16; a steamer, Aug. 6—both Norwegian-American Line.

To Antwerp and Havre.—Beaverbrae, July 15; Beaverhill, July 22; Beaverburn, July 29; Beaverford, Aug. 12—all Canadian Pacific (do not call at Havre); August, July 10; Hada County, July 26; Brant County, Aug. 7—all County Line; Rutenfjell, July 13; Ornefjell, July 27; Carmelfjell, Aug. 10—all Fjell Line (do not call at Havre).

To Rotterdam.—Flint 2, July 14; Hada County, July 26; Lista (also calls at Dunkirk), Aug. 7—all County Line; Rutenfjell, July 13; Ornefjell, July 27; Carmelfjell, Aug. 10—all Fjell Line.

To Marseilles, Genoa, Leghorn, Naples, Messina, Palermo, Gibraltar and Lisbon.—Capo Olmo, July 19; Capo Noli, Aug. 8—both Capo Line (will also call at Cadiz and/or Seville and/or Casablanca if sufficient cargo offers).

To St. John's, Nfld.—Anna, July 25; Bencas, Aug. 11—both Shaw SS. Co. Ltd. (also call at Harbour Grace, Bay Roberts, Carbonear and Port Union; will touch at Newfoundland south coast ports as cargo offerings warrant); Belle Isle, Newfoundland-Canada SS. Ltd., July 15 and 29, Aug. 12 (also calls at St. Pierre-Miquelon).

To Cornerbrook, Nfld.—Gaspesian, July 13 and 27; New Northland, July 18, Aug. 1—both Clarke SS. Co.

To Puerto Rico, Barbados, Trinidad and Demerara.—Cornwallis, July 21; Chomedy, Aug. 4; Colborne, Aug. 18—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To Hamilton, Nassau, Kingston and Belize.—Cavelier (calls at Kingston only), July 15; Lady Somers, July 20; Cathcart (calls at Kingston only), July 29; Lady Rodney, Aug. 3—all Canadian National.

To Bermuda, St. Kitts, Antigua, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Ary Lensen, July 15; Lundby, July 29—both Ocean Dominion SS. Corp. (call at Guadeloupe and Martinique if sufficient cargo offered).

To Buenos Aires.—Tureby, International Freighting Corp., July 23 (calls at Santos, will also call at Rio de Janeiro if sufficient cargo offered).

To Brisbane, Sydney, Melbourne and Adelaide.—Port Montreal, July 30; a steamer, Aug. 30—both Montreal Australia New Zealand Line (will also call at Geelong).

To Auckland, Wellington, Lyttelton and Dunedin.—City of Pittsburg (also calls at Timaru and Napier), July 21; a steamer, Aug. 21—both Montreal Australia New Zealand Line.

To Cape Town, Port Elizabeth, East London and Durban.—Calgary, July 25; Mattawin, Aug. 27—both Elder Dempster Lines Ltd. (also call at Freetown, Lourenco Marques and Beira).

To Straits Settlements and Dutch East Indies Ports.—Kota Tjandi, July 16; Tabinta, Aug. 6—both Blue Funnel Line.

To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Madras, Rangoon, Calcutta and Singapore.—City of Birmingham, July 20; City of Rangoon, Aug. 1—both Canada-India Service.

From Quebec

To Southampton.—Empress of Australia, July 19 and Aug. 4; Empress of Britain, July 30 and Aug. 13—both Canadian Pacific.

From Halifax

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To Kingston, Jamaica.—Cavelier, July 18; Cathcart, Aug. 1—both Canadian National.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Drake, July 14; Lady Nelson, July 28; Lady Hawkins, Aug. 11—all Canadian National; Ary Lensen, July 20; Lundby, Aug. 3—both Ocean Dominion SS. Corp. (call at Guadeloupe and Martinique if sufficient cargo offered, but not at Nevis or Montserrat).

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COMMERCIAL INTELLIGENCE JOURNAL

Vol. LIX

Ottawa, July 16, 1938

No. 1798



**Discharging a Cargo of 7,500,000 Feet of Canadian Timber at
Melbourne, Australia**

Courtesy Sun News-Pictorial

ISSUED BY AUTHORITY OF
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE
JAMES G. PARMELEE, DEPUTY MINISTER

CONTENTS

	Page
German Wheat and Flour Situation	73
Canned Lobster Market in London	80
Bazaar or Chain Store Trade in South Africa	83
Trade Commissioners on Tour	85
Australian Trade with Canada, 1936-37:	
I. Foodstuffs; Vegetable Substances; Textiles; Oils and Fats	86
Exchange and Trade Control in Japan	92
Increased Tax in Brazil on Foreign Exchange Operations.....	97
Conditions in Peru	98
Chilean Hide Industry	100
What the Canadian Exporter can do for the Trade Commis- sioner	102
Tariff Changes and Customs Regulations.....	103
Foreign Exchange Quotations	105
Trade Inquiries for Canadian Products	106
Proposed Sailings from Canadian Ports	107
Condensed List of Publications issued by the Department of Trade and Commerce	110
Commercial Intelligence Service	111

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Vol. LIX

Ottawa, July 16, 1938

No. 1798

GERMAN WHEAT AND FLOUR SITUATION

J. C. MACGILLIVRAY, CANADIAN TRADE COMMISSIONER

One reichsmark equals \$0.40 Canadian; one metric ton equals 2,204 pounds;
one kilo equals 2.2 pounds)

Berlin, June 16, 1938.—Since March 13, 1938, the date of the Austrian *Anschluss*, Germany's largely industrial population of over 67,000,000 was increased by the addition of nearly 7,000,000 Austrians, thus giving the new Germany a total of approximately 74,000,000 inhabitants. With a high standard of living and a minimum of unemployment, this populous country is an important consumer of bread grains and, while domestic production is high, there is a resulting deficiency which has to be made up by imports.

Contrary to the practice in other Western European countries, rye rather than wheat is preferred for bread making in Germany. The use of rye bread is particularly common in the north, while in the south wheat bread is preferred. Taking the country as a whole, the ratio between the use of rye and wheat as a bread grain is close to five to three, although lately the margin is tending to decline towards parity.

Because of the large quantities of rye used, the per capita consumption of wheat is less than half that in France, Belgium, or the United Kingdom. There are only two other Western European countries, Portugal and Spain, where the consumption of wheat per head of population is less than in Germany.

Up to about ten years ago, Germany was a purchaser of large quantities of foreign wheat and was one of the largest net importing nations of the world. The volume of imports has, for reasons which will subsequently be given, now shrunk to smaller proportions. Domestic production has increased, but, despite every effort to make it equal consumption, the average wheat harvest remains below the country's requirements, and it is only in years of an exceptional crop that an approach to parity is reached.

The German wheat trade as regards imports, production, and milling, is characterized by the high degree of government control to which it is subject. There are no imports of flour with the exception of negligible quantities of special varieties for industrial or technical purposes.

Austria has always been a larger net importer of wheat and bread grain than the old Reich. Consequently, its annexation will not result in an increase in domestic supplies. Production per acre in Austria is considerably below that of Germany, from which point of view it might be regarded rather as a liability than an asset. It is expected, however, that by more intensified farming methods and the increased use of fertilizers, Austria's production can be brought into line with that of the rest of Germany. The figures given in the paragraphs which follow, unless otherwise specified, are exclusive of Austria.

FOREIGN TRADE IN BREAD GRAINS

It has only been within the past five or six years that rye has been used extensively as a feeding grain in Germany. Previously it was not considered suitable for that purpose. In consequence, the export surplus which was formerly available in good crop years is no longer existent, and there is now an excess of imports, although in the meantime the use of rye, as well as wheat, as a feedstuff has been prohibited.

In 1934 the quantity of rye exported from Germany amounted to 3,839,229 bushels as against imports of 1,369,560 bushels. In 1935 the situation was reversed, 6,866,606 bushels being imported and 1,312,276 bushels exported. In 1936 both imports and exports were reduced to a low figure, the former to 859,604 bushels and the latter to only 30,944 bushels. In 1937, however, owing to unfavourable crop conditions and a corresponding bread grain shortage, there was a sharp increase in imports which, during that year, rose to 7,129,000 bushels; there were no exports. During the first part of the current calendar year imports have continued at this high level, the total for the first four months of 1938 having been 908,609 bushels in comparison with 869,096 bushels for the corresponding four months of 1937.

As regards wheat, there was a drastic and continued decline in imports up to 1936, when the total quantity entering the country amounted to less than 3,000,000 bushels. In 1937, however, owing to the dearth of domestic supplies, there was, as with rye, a sharp increase in purchases abroad, the total for that year going up to 44,795,803 bushels.

During the first part of the current year it has also been necessary to maintain this higher import level. Despite the increase in foreign purchases during the past eighteen months, Germany is still of no more importance in the international wheat trade than such countries as Holland, Belgium, or Switzerland, and in years when a large crop is harvested she is less dependent on outside sources of supply than are these smaller states.

EXPORT CERTIFICATES

Apart from being an importer, Germany was at one time also an exporter of wheat, and between 1931 and 1934 fair quantities were sold abroad, principally to the United Kingdom, the Netherlands, and Denmark. This was made possible by the use of the so-called export certificates. When a German wheat exporter disposed of goods in a foreign market, he was given a certificate which entitled the holder to import a similar quantity of foreign wheat either duty free or at a nominal rate much below that prescribed in the customs tariff. These documents were accordingly acquired by millers and importers and used to bring in top grades of hard wheat, which they used for blending with the soft domestic varieties.

Considerable quantities of Canadian wheat were imported by means of these certificates. The system was abolished in 1935, however, and since then German wheat exports have stopped.

Particulars of German imports and exports of wheat, together with net imports, from 1930 to 1938 are as follows:—

German Wheat Imports and Exports

	Imports	Exports Figures in	Net Imports Bushels
1930	47,082,338	767,798	43,314,540
1931	28,826,992	9,420,402	19,406,590
1932	36,918,094	16,900,907	20,017,187
1933	28,739,524	19,371,003	9,368,520
1934	20,380,371	6,711,957	13,668,473
1935	10,742,394	472,921	10,268,473
1936	2,678,119	6,758	2,671,360
1937	44,795,803	.....	44,795,803
1938 (4 months)	15,616,224	.....	15,616,224

COUNTRIES OF ORIGIN OF IMPORTS

Canadian wheat, on account of its high protein content, has been used extensively in Germany to mix with the soft domestic wheat in order to improve the quality of the flour, and consequently imports from Canada have been considerable. In addition, Canadian durum wheat is well liked for the manufacture of macaroni and other alimentary pastes, although it meets with strong competition from the products of such countries as Turkey and Iran.

Between 1931 and 1934 Canada was the principal source of supply of the foreign wheat purchased by Germany, having, except in 1932, supplied more than half the total. Even when Canadian prices were relatively high, it was of advantage for millers to purchase top-grade Manitobas because of the high import duty then prevailing which applied equally to all varieties irrespective of quality.

Since 1934 there has been a tendency for wheat imports to be diverted to countries with which special trading arrangements exist, as illustrated by the subjoined table showing the volume of imports by principal countries from the beginning of 1931 until the end of 1937:—

German Wheat Imports by Countries

Country of Origin	1931 Bushels	1932 Bushels	1933 Bushels	1934 Bushels	1935 Bushels	1936 Bushels	1937 Bushels
Total	28,826,992	36,918,094	28,739,524	20,380,371	10,792,394	2,678,119	44,795,803
Canada	18,434,652	17,269,463	22,280,347	15,682,339	311,455	957,529	3,197,298
United States	2,450,422	7,409,748	741,231	1,574,373	840	66,842	627,676
Argentina	4,719,595	7,482,932	2,689,683	1,676,570	670,903	877,118	19,667,710
Russia	5,797,242	479,180	653,736	1,293,398	388,758	64,329	.....
Hungary	59,295	1,469,850	72,280	358,762	552	.....	11,283
Danzig	696,346	1,303,931	1,184,864	1,766,487	11,631	.....	.....
Australia	271,158	385,289	.....	7,517	.....	.....	5,388,716
Turkey . . . . .	.....	.....	.....	550,020	1,235,229	175,424	2,229,244
France . . . . .	.....	2,385	.....	510,225	1,321,820	106,866	473,301
Yugoslavia . . . . .	.....	110,263	.....	458,617	765,806	.....	6,364,695
Czechoslovakia . . . . .	.....	.....	.....	.....	.....	.....	1,400,763
India . . . . .	.....	.....	.....	.....	.....	.....	1,841,729

As already mentioned, the increased tempo of wheat imports has continued during the first part of the current year, and the volume of future supplies will depend on the outcome of the 1938 harvest. During the first four months of the current year total imports amounted to 15,616,224 bushels. British India ranks first among countries of origin with 3,302,020 bushels, Argentina being a close second with 3,264,989 bushels. Roumania was third with 2,266,482 bushels and Sweden fourth with 1,503,183 bushels. Canada was slightly behind the United States in sixth position, being credited with 855,246 bushels.

BILATERAL TRADING AGREEMENTS

Germany has bilateral clearing and payments agreements with all important cereal-producing countries with the exception of the United States and Australia. These agreements, particularly the clearings, tend to divert wheat purchases which are still being made to exporters who will take German industrial products in return, even though the so-called clearing price is much above the world market quotation and the quality of the product offered is inferior. Such clearings are in operation with grain-growing countries such as Argentina, Hungary, Roumania, Yugoslavia, Czechoslovakia, Sweden, and Turkey.

The existence of clearings tends to divert wheat imports from free exchange to clearing countries, even when the former offers a superior product at a cheaper price. If, for instance, by virtue of the German-Yugoslav clearing, German exports of manufactured goods to Yugoslavia are increasing, it may mean a corresponding increment in wheat imports from that country to pay for these goods at the expense of trade which might otherwise go to such countries as Canada or the United States.

CANADIAN POSITION

By virtue of the German-Canadian Payments Agreement of October 22, 1936, which became effective on November 15, 1936, it is provided that the German Government shall make available for the purchase of Canadian wheat 35 per cent of all foreign exchange accruing from German exports to Canada. Thus, if German sales to Canada reach an annual total of \$10,000,000, some \$3,500,000 of this sum will come back to pay for Canadian wheat bought by Germany.

DOMESTIC PRODUCTION

As regards rye, Germany may be considered as largely self-sustaining. There are wide areas of the country which, owing to soil conditions, are not suitable for wheat growing and, consequently, there is a large production of rye. During favourable years there has even been an export surplus, although there are also frequently small imports to supplement the domestic crop. In 1936 there was an import surplus of 23,152 metric tons, and in 1935 a similar balance of 183,133 tons. In 1934, however, there was a surplus of exports over imports amounting to 24,791 tons.

Germany has always been regarded as a large wheat-importing country. From the point of view of quantity she is also an important wheat-producing country, despite the dominant position held by rye. The principal growing areas are in Pommerania, Brandenburg and East Prussia, Lower Silesia, and Saxony, and during the 8-year period 1930 to 1937 the yearly crop averaged 171,097,028 bushels in comparison with an average for the period 1924 to 1929 of 118,100,000 bushels. This, coupled with an average rye harvest of 274,291,250 bushels during the 1930-37 period, illustrates the extent to which Germany is self-sufficient in bread grains.

The actual German production of bread grains, together with the areas sown, from 1930 to 1937 has been as follows:—

German Production of Bread Grains

	Rye		Wheat	
	Bushels	Acres	Bushels	Acres
1930	274,837,136	11,681,385	199,204,369	4,401,409
1931	239,077,307	10,787,894	155,533,509	7,354,770
1932	299,331,598	10,995,893	183,812,829	5,634,452
1933	312,347,522	11,179,296	205,901,027	5,726,614
1934	272,276,648	10,097,090	166,454,049	5,430,443
1935	267,646,597	11,255,039	171,472,166	5,224,033
1936	263,762,295	11,113,126	165,645,445	4,931,175
1937	272,971,200	10,337,194	163,905,000	4,879,223

As regards 1938 production, the area sown with winter rye was about 1.6 per cent and that sown with winter wheat 4 per cent above the level of the preceding period. The winter crops account for over 90 per cent of the total yield. At time of writing the outlook for the 1938 harvest is appreciably better than was the case a year ago, so that the probabilities are that the 1938 bread grain harvest will be more favourable than its predecessor.

DEVELOPMENT OF HARD WHEAT

In common with other Western European countries, Germany is not a producer of hard wheat, which, because of adverse soil and climatic conditions, must be imported. In conjunction with the struggle for self-sufficiency it is now stated, however, that, as a result of many years' experimentation in plant breeding, a new and hard wheat strain has been successfully developed in Saxony. It is known locally as "Heines hard wheat," and, while there is as yet no commercial production, it is hoped that this will materialize within a few years.

The new wheat has a yield well below the average of other spring wheats, as a result of which the price at which it will sell has been set at a level above that ruling for other types of wheat. "Heines" wheat is stated to have a high gluten content.

BREAD GRAIN SHORTAGE

In 1933, when there was a particularly good wheat and rye crop, which made Germany practically self-sustaining as regards both these products, the bread grain question was believed to be solved. Since then, however, a series of less favourable harvests, coupled with reduced imports, has resulted in an acute shortage of bread grains, which is now publicly admitted and is reflected by the larger imports since the beginning of 1937.

As will have been noted from the preceding paragraphs, a comparison of the 1924-29 and 1930-37 periods indicates a decline in the average wheat imports and an increase in average production as follows:—

<i>Average Annual Imports</i>		Bushels
Average annual imports, 1924-29		79,200,000
Average annual imports, 1930-37		27,141,000
Average annual decrease in imports		52,059,000
<i>Average Annual Production</i>		Bushels
Average annual production, 1924-29		118,100,000
Average annual production, 1930-37		176,491,000
Average annual increase in production		58,391,000

It will be noted from the foregoing tables that the increase in production has more than offset the decline in imports. At the same time consumption has increased owing to the natural increase of the population and a better employment situation.

In 1936, however, and to a greater extent in 1937, with the volume of domestic production well below average, a shortage of bread grain has developed.

EMERGENCY MEASURES

In order to meet this emergency and safeguard the food supply, the authorities have taken a number of measures to restrict consumption, to accumulate supplies in government hands, and to prevent the feeding of bread grains to livestock. From March 15 up to July, 1937, an average admixture of 7 per cent corn flour with bread flour used by bakers was required. Since the beginning of the present crop year this admixture was made compulsory and must be undertaken at the mills. The number of types of wheat flour which are permitted has been reduced from eight to one, and the degree of extraction has been raised from 75 to 78-80.

Since November 1, 1937, all rye flour used for bread making must contain an admixture of 6 per cent of potato flour, which superseded the previous obligation to use 4 per cent corn flour. At the end of March, 1937, the production of 75 per cent rye flour was prohibited, and an 80 per cent extraction was made the lowest permissible. The feeding of bread grains has been prohibited, and in July, 1937, an order was issued compelling producers to surrender all rye and wheat in excess of their requirements for domestic and seed use. The use of bread grains for distilling purposes has also been prohibited. With a view to curtailing the consumer demand, an ordinance was issued making it illegal to sell fresh bread.

For the 1937-38 crop a grain delivery quota has been established for each individual farm, which requires specified minimum quantities of bread grains. This measure was designed to prevent a curtailment of wheat and rye production in favour of feeding grains, which are not being requisitioned.

GOVERNMENT MONOPOLY

As is the case with all other commodities, the importation of wheat and other cereals into Germany is the equivalent of a government monopoly, and all purchases are made through the medium of a government bureau, the Reichsstelle für Getreide und Futtermittel, with headquarters in Berlin. While private traders nominally still conduct the individual transactions, governmental authority dictates from whom they are to purchase, to whom they are to sell, the price at which business may be done, and also the profit which they may retain for themselves.

As a result of these measures, normal trading in wheat is no longer conducted in Germany. Imports are confined to a minimum, and price fluctuations in Liverpool, Winnipeg, or elsewhere have but little effect on the import volume.

The German system of planned economy is applied to all operations in the production, handling and milling of bread grains. In addition to having a production quota to fill, the farmer is paid a fixed price which varies slightly, depending on locality and time. The miller in turn pays the Government a set price for his wheat or rye, which he in turn sells to the baker at a controlled figure, while the consumer buys bread at a price determined by the State. During the month of May the average wholesale price of German wheat varied from R.M.205 to R.M.220 per metric ton (about \$2.23 to \$2.40 per bushel) and that of rye from R.M.185 to R.M.200.

DECLINE IN SUPPLY

By combining the figures representing domestic production and net imports, it is possible to get an approximation of Germany's total consumption of rye and wheat. While the former has remained comparatively steady, there has, on the basis of a survey covering the period 1930 to 1936, been a marked diminution as regards the latter. In comparison, for instance, with 1930, the year 1936 showed a decrease of nearly 32 per cent. Between the same years domestic production dropped from 199,204,390 bushels to 163,905,000 bushels, a contraction of more than 20 per cent. The average for the seven years 1930 to 1936 was 178,289,056 bushels, which means that the 1937 crop was below normal. Notwithstanding, the volume of the domestic crop does not tend to increase above the present average despite efforts towards that purpose.

Apart from the failure to secure a greater volume of inland production, there has been the precipitous drop in net imports up to the end of 1936, which stood at only 2,671,360 bushels in that year as against 46,314,540 bushels in 1930 and a seven-year average of 25,052,549 bushels. In 1937 they went up sharply, however, to 44,795,802 bushels.

WHEAT CONSUMPTION

The shrinkage in wheat supplies, with particular reference to imports, has been caused by the shortage of foreign exchange in Germany, which has not made it possible to effect larger purchases abroad, coupled with a lower per capita consumption of bread and the use of substitutes such as potatoes.

Total German wheat consumption for the 8-year period 1930 to 1937 has been as follows: 1930, 245,518,909 bushels; 1931, 174,940,099; 1932, 203,830,016; 1933, 215,269,547; 1934, 180,122,522; 1935, 181,740,639; 1936, 168,316,805; 1937, 208,700,803 bushels.

Based on the above figures, the yearly average for the period was some 197,300,000 bushels. Included in this are the country's seed requirements, which have been estimated at approximately 13,000,000 bushels, and a probable smaller quantity which was formerly used as a feedstuff.

IMPORT DUTIES

Under the existing system of government control, import duties are of minor importance in determining the volume and direction of German grain imports. Wheat is subject to a tariff duty of R.M.35 per 100 kilos (about \$3.80 per bushel). By virtue of a decree which became effective on January 1, 1937, it was, however, provided that wheat imported by the Government Monopoly Board between that date and August 31, 1937, would be admitted at a nominal rate of R.M.1 per 100 kilos (about 11 cents per bushel). Prior to January 1, 1937, the rate on wheat when imported through an agency designated by the Minister of Food and Agriculture was R.M.8.50 per 100 kilos.

As regards ordinary wheat flour, the German tariff provides that it is dutiable at $1\frac{2}{3}$ the rate applicable to wheat, plus a surcharge of R.M.1.50 per 100 kilos.

MILLING INDUSTRY

It is estimated that there is a total of roughly 28,000 flour mills in Germany grinding rye or wheat, or both. The great majority of these are small rural establishments with low capacities, and only about 150 can be classified as large commercial mills. These larger mills are located principally in the Hamburg and Bremen areas and in the Rhineland, in all of which districts there is convenient water transportation.

Since 1933 all German mills have been required by the Government to become members of a central association which regulates their supplies and stocks of raw materials, the volume of their flour output, and the price at which purchases are made, the manufacture of only one variety of rye and three varieties of wheat flour being permitted.

Millers do not purchase their wheat from producers, importers, or private traders, but only from the Monopoly Control Board.

GERMAN FLOUR TRADE

Up to 1926 Germany was an importer of foreign flour, but with the lapsing of the stipulation in the Treaty of Versailles which necessitated the granting of preferential tariff treatment to ex-allied countries, the domestic milling industry was granted protection. Subsequently this was further increased and, with the added handicaps caused by the imposition of currency restrictions and import control, flour imports have to all intents and purposes ceased.

The value of imports and exports of flour, in metric tons, from 1930 to 1937 are subjoined:—

German Flour Imports and Exports

	Imports Figures in	Exports Metric Tons
1930	1,197,187	22,446
1931	797,640	288,612
1932	1,021,530	467,651
1933	770,343	536,082
1934	646,961	185,721
1935	158,893	13,119
1936	570	28,894
1937	48,345	4,298

The regulations affecting food grains are the most complicated and the most thorough of all the regulations governing Germany's food supply. They may be roughly summarized as exercising a duplicate control over both volume and price. To each of the two million farmers concerned there are assigned quotas of rye and wheat which must be delivered annually to government authorities. Similarly, quotas are assigned to the flour millers, and control is exercised by means of lead seals on the sacks. Price control consists of a system of fixed prices varying by regions according to local conditions and transport costs and rising gradually each month from the low point after harvest according to estimated warehousing costs. Millers must keep a stock of grain on hand equivalent to one month's milling needs, although, owing to the recent shortage, this has in practice not been possible.

Flour prices are also fixed for specified districts, and there are very rigorous regulations regarding the degree of grinding and the prices to be charged for by-products. The baker in his turn is bound by fixed prices for flour and by fixed prices for bread.

AUSTRIAN SITUATION

Austria was a larger per capita importer of wheat than Germany, with a total import figure of 8,175,000 bushels in 1937 in comparison with 6,461,000 bushels in 1936 and 6,892,000 bushels in 1935. Domestic production is roughly equivalent to double the volume of imports, amounting to 14,332,500 bushels in 1937 as against 13,965,000 bushels during the preceding year. The 1937 figure is 8.6 per cent above the average for the period 1930-35. Despite this general improvement in the size of the crop, considerable stress has been laid on the fact that the yield per acre is considerably below the level prevailing in Germany or even in Bavaria, where climate and topography are somewhat similar.

The principal countries from which Austria purchased wheat in 1937, together with the number of bushels supplied by each, were as follows: Hungary, 4,563,540; Czechoslovakia, 1,843,000; Roumania, 862,000; Argentina, 453,000; Canada, 241,000; Yugoslavia, 187,000.

In addition to wheat, Austria was an importer of limited quantities of wheat flour, practically all of which came from Hungary. In 1937 the total quantity involved was 20,131 metric tons in comparison with 26,676 tons in 1936 and 42,747 tons in 1935.

CANNED LOBSTER MARKET IN LONDON

S. V. ALLEN, ASSISTANT TRADE COMMISSIONER

London, June 24, 1938.—The United Kingdom is traditionally Canada's most important export market for canned lobster, and next to canned salmon this product is still the largest item in point of value of all Canadian fish products sold regularly in this market. This position has been maintained despite the decrease in recent years of the quantity of canned lobster available for export.

UNITED KINGDOM IMPORTS AND RE-EXPORTS

United Kingdom trade returns record an increase in 1937 imports of canned lobster from Canada, receipts during the year having reached 16,297 cwts. (of 112 pounds) as compared with 15,056 cwts. in the previous year. Total imports into the United Kingdom for 1936 and 1937 were 18,641 cwts. and 20,406 cwts. respectively. Newfoundland's share of this trade also increased slightly from

3,507 cwts. for 1936 to 3,727 cwts. for 1937. The following figures illustrate the trend of the trade in recent years and during the first four months of the current year as compared with the corresponding period of 1937:—

United Kingdom Imports of Canned Lobster

Year	Total Imports		From Canada	
	Cwts.	£	Cwts.	£
1938 (Jan. to April inclusive) . . .	1,147	17,467	1,009	16,518
1937 (Jan. to April inclusive) . . .	2,058	30,842	1,778	27,485
1937	20,406	278,545	16,297	229,456
1936	18,641	254,155	15,056	213,957
1935	25,007	312,980	21,614	284,226
1934	23,814	296,245	20,306	266,167
1933	28,652	309,452	25,304	280,543

Of the total imports shown for the years 1936 and 1937, it should be noted that considerable quantities of canned lobster, amounting to 3,589 cwts. (£43,326) and 1,460 cwts. (£32,765) respectively, were re-exported from the United Kingdom during these years.

According to figures of the Dominion Bureau of Statistics, during the calendar year 1937 a total of 22,254 cwts. (of 100 pounds) of canned lobster valued at \$1,128,280 were exported from Canada to the United Kingdom as compared with 1936 shipments aggregating 18,740 cwts. valued at \$985,006. The volume of trade with the United Kingdom recorded for 1937 was slightly over 60 per cent of the total Canadian exports of this commodity during that year as compared with slightly less than 50 per cent in the previous year. No appreciable increase in this trade may be anticipated this year unless the quantity of lobster packed in Canada is much above the level of previous years and United Kingdom buyers are encouraged to make heavier commitments by the attractive prices prevailing.

COMPETING PRODUCTS

CANNED CRAB

In recent years imports of canned crab into the United Kingdom, mainly from Japan and Soviet Russia, have shown a steady increase, but in 1937 a falling-off from the previous year's level was recorded as the result of decreased supplies from Japan. Total United Kingdom imports of canned crab in 1937 were 80,718 cwts. (£649,837) as compared with 86,547 cwts. (£691,325) in 1936. Receipts from Japan aggregated 39,221 cwts. (51,084 cwts. in 1936), while those of Russian origin amounted to 31,477 cwts. (28,406 cwts.).

During 1937 there was little variation in prices, Fancy halves averaging 75s. to 78s. per case, labelled, landed duty paid, while Fancy quarters, of which only limited quantities were available, brought as much as 57s. per case on the spot. Current spot prices are at about the same level, but offers for forward shipment, despite the prevailing lack of interest, indicate higher replacement costs, which for halves will be around 80s. per case. This price compares with current spot quotations on good quality Canadian lobster of around 92s. per case.

CRAYFISH

Some added competition to canned lobster has resulted from imports of canned crayfish from South Africa in recent years, but dealers do not now appear to regard this product as offering serious competition. The apparent reason is that frozen crayfish tails from the Union are reaching this market in increasingly larger quantities for sale through the regular fish trade, and it has been found difficult to interest buyers in the canned product, which must be sold in direct competition with imported canned crab at higher prices. More-

over, the canned product is stated to have been tough and stringy in comparison with the frozen pack. It is therefore believed that immediate possibilities for canned crayfish are strictly limited, and that it will be difficult to expand sales in this market beyond their present level of slightly over 3,000 cases annually. In comparison, imports of frozen crayfish from South Africa, so far as can be ascertained, slightly exceed 40,000 cases a year.

MARKET CONDITIONS

Despite the slight increase recorded in shipments of Canadian lobster to the United Kingdom in 1937 and the relatively high prices obtained by Canadian exporters, market conditions in this country were not altogether satisfactory. Supplies of fresh and frozen shellfish, including lobster, were plentiful during the year, and most dealers were of the opinion that canned lobster sales at the opening prices would severely handicap them. The result was that during the first few months of this year wholesalers were heavily stocked with canned lobster from the 1937 pack, which they were forced to dispose of at unprofitable prices in anticipation of opening offers for the 1938 pack. The weak spot position and generally adverse conditions in the canned goods trade since the first of the year have influenced the 1938 prices to the extent that the majority of Canadian packers were forced to recognize that last year's prices would not be obtainable and that offers would have to be made at lower levels. During the past few weeks, however, prices have declined disappointingly from their original level, at which local buyers, under normal circumstances, would have been prepared to make heavier commitments, and little interest is being shown at present.

The decline in Canadian offers, following the initial support given the market by London dealers, has been very disappointing, as there is no apparent reason for forced selling by Canadian packers at less than their opening prices, which were some 10s. to 12s. per case less than last year's opening prices. The present situation may be due to belated offers of the 1937 pack of lobster from Canada, and to the fact that exporters have taken an unduly pessimistic attitude regarding the market. It is possible, however, that a natural reaction may set in if there is a short or limited Canadian lobster pack or if increased interest on the part of United Kingdom buyers results from the extremely favourable current offers.

The total volume of business booked to date is reported to be satisfactory, although with weak spot and forward quotations there is not much encouragement for dealers to make further commitments.

VENTED CANS AND CUSTOMS REQUIREMENTS

Reference has been made in previous reports from this office to the advisability of Canadian exporters shipping to this market only lobster packed in non-vented cans. It may be expected that the decision made by the London Health Authority last year to reject cans of lobster showing two vent holes will apply this season, so that Canadian exporters are again reminded to eliminate such cans from their shipments, and, as far as possible, to restrict the number of one-vented tins in order to avoid disappointment to their connections in this market through possible delay in clearing shipments on arrival.

The attention of exporters is also directed to the revised form of certificate of origin No. 120 (Sale) which must accompany all shipments to entitle them to free entry into the United Kingdom. At least one case of delayed entry has recently resulted from the failure of a Canadian exporter to satisfy this requirement, thus causing considerable inconvenience to the London representative. Further information in regard to the above points may be obtained on application to the Department of Trade and Commerce, Ottawa.

BAZAAR OR CHAIN STORE TRADE IN SOUTH AFRICA

H. W. BRIGHTON, ASSISTANT TRADE COMMISSIONER

Cape Town, June 4, 1938.—When the chain store system of retailing was first introduced in South Africa it was the consensus of opinion that such a venture would not be feasible. By tradition and practice cash trading had not met with favour, since retailers granted extended credit facilities to their customers, who in the main were paid monthly. It came, therefore, as a considerable surprise to many that the bazaar stores, as they are called in South Africa, should so rapidly achieve such a wide measure of success.

Some of these organizations began operations on a "fixed price" basis—3d., 6d., 1s., and in some cases up to 5s.—but the range now covered is very wide both as regards prices and commodities.

EFFECT ON RETAIL TRADE

The bazaar stores have affected both the old-established retailers and wholesalers, and have made competition exceptionally keen. The retailers still have to accord credit to their customers and must charge higher prices in order to cover the costs of delivery, which is demanded of the ordinary retailer more than from the bazaars, which, as a rule, will not deliver purchases below a set minimum value. Wholesalers are affected in that most of the bazaars buy direct from manufacturers or from suppliers abroad and seldom from local wholesalers.

The bazaar trade, however, is now firmly established in South Africa, and other retailers have been forced to meet the competition which is offered by them. Some of the larger departmental stores have established "cash bazaars" on their own premises, where credit is not extended to their customers. Other retailers have combined to set up a central buying agency in order to obtain special terms, while others offer special inducements for cash in order to ensure a quicker turnover. The personal element, of course, favours the smaller retailers.

FACTORS FAVOURING THE BAZAAR STORES

The bazaar stores are interested principally in the cheaper trade, although some of the larger organizations handle medium-priced lines, for which there is a growing demand. Sales to the natives, comprising the coloured and poorer classes, who make up the major portion of the Union's population, have built up the bazaar trade to its present proportions. However, the ever-increasing variety of goods offered, the introduction of medium-priced lines, large, bright buildings, attractively displayed goods, and increasingly efficient staffs offer inducements to all classes of purchasers.

While the bazaar trade may be over-expanded in certain localities, cash trading for everyday requirements is more likely to increase than decline, and this should tend to increase sales. South Africa is prosperous, and if gold continues at or near its present value, this position will likewise be maintained. The rates of wages of the poorer classes are tending to rise, especially those of the natives, who are inclined to buy to the limit of their financial capacity. As stated previously, the bazaar stores chiefly handle the cheaper class of goods, and consequently they will benefit from any increased spending power that may accrue to the native.

The bazaar stores offer a special outlet for manufacturers of standard goods to meet everyday requirements and are continually seeking new lines. Several years ago they could obtain special concessions as to costs and dates of delivery for large orders, and frequently manufacturers were willing to produce special products at particularly low prices. To-day, however, the bazaars find it

necessary to extend their search for suitable lines to sell at former prices or to increase the prices of products obtained from former sources. These conditions, together with the Union's prosperity, favour the general retailer, since the average quality of the goods in demand rises with the increased purchasing power of the population, thus affording the general dealer an opportunity to compete on a more satisfactory basis.

COMMODITIES SOLD BY BAZAAR STORES

The first chain store organization in the Union of South Africa began operations twenty-two years ago and to-day has thirty-eight stores. They were the first to conduct business on a strictly cash basis, and from the beginning have made a specialty of lines selling at 1s. 11d. This is a firm of milliners and outfitters, and they do not, like other large bazaar trade organizations, deal in other lines such as foodstuffs, hardware, etc. They have buyers in the United Kingdom, the United States, and on the Continent, in addition to their purchasing departments in the Union who place orders through manufacturers' representatives or agents. They also operate a factory.

This chain store organization caters especially to the medium- and low-priced trade, some of the articles sold being:—

Girls' raincoats, 3s. 11d.; girls' felt hats, 2s. 11d.; ladies' woollen gloves, 2s. 11d.; hem-stitched sheets, 2s. 11d.; satin bedspreads, 2s. 11d.; barber towels (12 inches by 24 inches), 3d.; brocaded satin eiderdowns, 35s.; 26-inch assorted cretonne (six yards), 1s. 11d.; dress materials, per yard, 1s. 11d.; ladies' tweed coats, 35s.; fur coats, 55s.; and woollen skirts, 3s. 11d. Men's wear includes Melton overcoats, 15s. 11d.; tweed overcoats, 15s. 11d. and 17s. 11d.; mackintoshes, 9s. 11d.; men's shirts, 6s. 11d.; pyjamas, 2s. 11d. per pair; fancy all-wool socks, two pairs, 2s. 11d.; woollen pullovers, 3s. 6d.; and lumber jackets, 7s. 11d.

The large bazaar establishments handle a wide range of commodities. Some of them encourage mail order business through the distributing of price lists, while others specify in their daily newspaper advertising the additional extra charges to cover postage.

The following list illustrates the extensive range of articles carried in the large bazaar stores:—

Manchester cottons; piece-goods; hosiery, well-known and widely-advertised brands and lines made up especially for the bazaar store to sell at prices ranging from 1s. 11d. to 3s. 11d. per pair, these being mostly of Japanese origin; ladies' wear, lingerie and foundation garments; women's haberdashery and knitwear; children's and babies' wear; tools and hardware; toilet requisites; stationery and paperware; crockery, mostly of continental and Japanese origin, including dinner services of thirty-one pieces at 28s. and tea sets of twenty-two pieces ranging upwards in price from 4s. 6d.; jewellery, chiefly items priced at from 6d. to 1s. each; candies; glassware, mostly continental and Japanese; men's and boys' wear; smokers' requisites; electrical goods; cake and biscuits; patent medicines; domestic cleaning materials and brushes; groceries, including meats, canned goods, etc.; kitchenware; artificial flowers; ladies' frocks and coats, including dresses at 10s. 6d., 17s. 6d., 25s., and 37s. 6d.

Other sections include baggage, floor coverings, books, music, gramophone records, pictures, toys, dry-cleaning, and ladies' and men's hairdressing.

The lines mentioned above are carried in the fifty-nine stores of the four leading bazaar firms operating in the principal cities and towns in the Union. In addition to these four large firms, there are numerous smaller organizations, some of which operate several branches.

The smaller bazaar organizations sell for approximately the same prices as the large units, but they do not handle the same products. The number of departments is considerably smaller and there is a tendency to specialize. Some carry grocery lines and a range of products under such headings as tools, hardware, and kitchenware. Others are confined to drapery, millinery, and wearing apparel, while a third type carries chiefly tools, hardware, kitchenware, paper products, electrical goods, toys and novelties, and glassware.

PURCHASING METHODS

The bazaars are always in the market for some line or lines that they can feature. The large organizations work through buying agents abroad and also send their own buyers overseas at regular intervals, chiefly for the purpose of obtaining specialties. The major portion of their staple lines is purchased through the medium of locally resident commission agents or manufacturers' representatives. The smaller organizations place practically all their orders through the commission agent resident in South Africa, and these orders are usually confirmed by a confirming house in the United Kingdom, United States, or Canada. In some instances these confirming houses also act in the capacity of buyers for their clients.

A list of the principal bazaar firms doing business in South Africa, with the addresses of their head offices, is available to interested Canadian firms on application to the Department of Trade and Commerce, Ottawa.

TRADE COMMISSIONERS ON TOUR

Mr. Yves Lamontagne, Canadian Trade Commissioner at Brussels, Belgium; Mr. A. B. Muddiman, Canadian Trade Commissioner at Milan, Italy (whose territory includes Spain, Portugal, Gibraltar, Malta, Albania, and Yugoslavia); Mr. M. J. Vechsler, Canadian Trade Commissioner at Lima, Peru (whose territory includes Bolivia, Ecuador, and Chile); Mr. H. A. Scott, Canadian Trade Commissioner at Shanghai (whose territory includes Central and North China); and Mr. W. J. Riddiford, Canadian Trade Commissioner at Panama City (whose territory includes the Canal Zone, Venezuela, Colombia, Nicaragua, and Costa Rica), are visiting the principal industrial centres of Canada in the interest of Canadian trade with their respective territories. Their itineraries are as follows:—

Mr. Lamontagne

Ottawa	July 28 to 30	Winnipeg.. . . .	Aug. 12
Vancouver	Aug. 4 to 10		

Mr. Muddiman

Vancouver	July 19 to 28
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Mr. Vechsler

Brantford and Paris .. .	July 18	Oakville	July 29
London.. . . .	July 19 and 20	Ottawa.. . . .	Aug. 2
Chatham	July 21	Winnipeg.. . . .	Aug. 4
Windsor and Walkerville..	July 22	Vancouver	Aug. 10 to 24
Stratford.. . . .	July 25	Kelowna	Aug. 26
Kitchener	July 26 to 28	Edmonton.. . . .	Aug. 31

Mr. Scott

Granby	Aug. 1	Saint John	Aug. 5
St. Hyacinthe	Aug. 2	Halifax	Aug. 8

Mr. Riddiford

Vancouver	July 18 to 27	Ottawa.. . . .	Aug. 2 and 3
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Firms who wish to be brought in touch with the Trade Commissioners should communicate: for Winnipeg, Edmonton, and Vancouver, with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other centres, with the respective Board of Trade or Chamber of Commerce.

AUSTRALIAN TRADE WITH CANADA, 1936-37

L. M. COSGRAVE, CANADIAN TRADE COMMISSIONER

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(Values of imports into Australia are recorded generally f.o.b. port of export in British currency plus 10 per cent; £stg.1 equals \$5 Canadian. Exports from Australia are in Australian currency; £A1 equals \$4 Canadian.)

Sydney, Australia, June 1, 1938.—The trade between Canada and Australia has shown remarkable growth in the fiscal year ended June 30, 1937, as compared with preceding years. Australia is now Canada's third largest world market. Canada is similarly the third most important overseas country of origin for merchandise imported into Australia, following the United Kingdom and the United States.

Values of imports from Canada into Australia for the past four fiscal years (ended June 30) are as follows in pounds sterling: 1933-34, £2,918,095; 1934-35, £4,091,796; 1935-36, £5,375,851; 1936-37, £6,071,813.

Exports to Canada from Australia for the same years were valued in Australian currency as follows: 1933-34, £1,362,273; 1934-35, £1,474,374; 1935-36, £1,365,298; 1936-37, £2,264,268.

The increase in the value of imports into Australia from Canada in 1936-37 as compared with the preceding year was £695,962, or approximately \$3,479,000. At the same time Australian exports to Canada showed somewhat greater growth, having increased by £898,870, or approximately \$3,595,000.

However, a comparison based on sterling values for both imports and exports shows the balance of trade still preponderantly in favour of Canada.

In 1936-37 the value of Australian imports from Canada exceeded exports to Canada by £stg.4,264,014 as compared with an excess of imports of £stg.4,320,220 in 1935-36. There is a much wider range of commodities which Australia can economically import from Canada than of products of Australian origin for which a substantial market exists in Canada.

In the present stage of the development of Australia there is a demand for many commodities which cannot be supplied from local production but which are necessary to the high standard of living in this country and to provide capital goods and raw materials for construction projects and rapidly growing industries. On the other hand, export production of a primary nature is so similar in many respects to Canadian export production that only limited opportunities exist for disposing of these commodities in the Canadian market.

IMPORTS OF COMMODITIES OF CHIEF INTEREST TO CANADA FOODSTUFFS OF ANIMAL ORIGIN

Fish, Fresh or Preserved by Cold Process.—Total, £217,612 (£205,884).

New Zealand was the principal country of supply with imports valued at £151,259 (£142,693). Fish imports from New Zealand enter duty free under a trade agreement. The United Kingdom supplied to a value of £36,246 (£37,024); South Africa, £27,000 (£23,815); and Canada, £2,202 (£1,799). This business is capable of further expansion, but difficulties of shipping from Canada in cold storage without transshipment at Sydney hinder the development at other Australian ports.

Fish, Preserved in Tins or Other Airtight Vessels.—Total, £819,644 (£773,020).

(a) *Herrings.* £115,769 (£92,636).—Imports from the United Kingdom, £83,195 (£65,028); and Canada, £17,893 (£14,704), make up the bulk of this trade. Canada's share has shown considerable expansion during the past few years. Recent reports indicate that serious inroads are being made by other countries in the canned herring trade. Other countries of supply were: Norway, £8,030 (£7,428); Japan, £2,820 (£3,888); the United States, £2,463 (£108); and Russia, £969 (£1,486).

(b) *Salmon*, £463,504 (£417,971).—Canada was the principal supplying country with a value of £364,267 (£370,086) and a volume of 15,025,920 pounds out of total imports of 18,329,348 pounds. There was a slight reduction in the value for Canada, which was more than made up by increased shipments from other countries: Alaska, £29,031 (£18,216); Soviet Russia, £26,559 (£3,075); United States, £23,027 (£7,891); Japan, £20,252 (£17,598). Imports of canned salmon from Japan in one month (February, 1938) far exceeded imports from that country for the whole year 1936-37.

Despite a preferential duty in favour of Canada and lower average declared domestic values of Canadian salmon than of Japanese imported in February last, the latter is being retailed at lower prices per pound than Canadian salmon of approximately equivalent type.

(c) *Sardines, including Sild*, £166,582 (£183,848).—Norway was the leading supplier with £110,450 (£123,272) as compared with Canada, £23,915 (£26,955); United Kingdom, £20,379 (£15,414); Portugal, £9,847 (£15,950); and Soviet Russia, £1,031 (£413). The decline in the value of shipments from Canada was not reflected in the quantities, as 775,644 pounds came from the Dominion as against 683,768 pounds in the preceding year.

(d) *Other Fish, in Airtight Containers*, £33,276 (£47,336).—Principal countries of supply were: New Zealand, £12,517 (£21,201); Canada, £5,247 (£5,288); United Kingdom, £3,124 (£2,518); Soviet Russia, £2,588 (£1,793); China, £2,234 (£2,068); United States, £2,008 (£5,739); Spain, £1,290 (£1,875); Japan, £653 (£2,956).

Meats, Poultry and Game.—Total, £316,214 (£295,592). Sausage casings, £273,522 (£254,337), are the most important item among meat products. Imports were chiefly from the United States, £218,780 (£198,717); Netherlands, £33,567 (£20,165); New Zealand, £14,561 (£22,150); and Canada, £4,708 (£2,295). Imports are chiefly hog casings, as Australia is a large producer and exporter of sheep casings. Of recent years large quantities of cellulose casings have been imported; these are supplanting hog casings to some extent.

FOODSTUFFS OF VEGETABLE ORIGIN

Very few commodities under this heading are of interest to Canada, as imports from the Dominion were valued at only £12,508 (£3,712) out of a total value of £3,801,644 (£3,215,246). Certain high-class grocery lines, such as biscuits (£9,085, of which the United Kingdom supplied to a value of £6,989); jelly crystals (£7,029, of which Canada is credited with £6,950); and asparagus tips (£16,953, all from the United States) are now being marketed to an increasing extent.

SPIRITUOUS AND ALCOHOLIC LIQUORS

The only spirits imported from Canada consisted of 38 proof gallons of bottled whisky valued at £25 out of total imports of £6,222 under this heading, and 770 proof gallons of whisky in bulk, valued at £503, out of 452,395 gallons valued at £484,000.

The importation of rye whisky in bulk from Canada for breaking down and bottling has a possibility of expanding, although progress is of necessity slow because the demand is chiefly for Scotch whiskies.

Imports of beer and wines are small, as Australian production is considerable and adequate for the market.

TOBACCO AND PREPARATIONS THEREOF

Canada does not appear as a supplier under this heading. Imports are mainly unmanufactured tobacco: £1,607,529 (£1,541,944), of which the United States' share was £1,548,211 (£1,487,296) and Netherlands India's £37,018 (£37,768).

Imports of manufactured tobaccos and cigarettes are relatively small on account of extensive domestic production.

LIVE ANIMALS

Imports are mainly animals for improvement of stock, and consisted chiefly of 946 cattle valued at £25,769; 352 horses valued at £144,260 (principally race horses from New Zealand); 10 pigs valued at £330; and 5,903 sheep valued at £37,023 (of which New Zealand supplied 5,781 at £31,108).

In the year under review Canada did not appear as a supplier, although twenty-one cattle worth £3,768 were imported from Canada in 1935-36. Efforts have been made to interest breeders in importing beef breeding animals from Canada, and good results are expected. An experimental shipment of pigs from Canada late in 1937 was successful, and considerable interest is now being shown in Canadian Berkshire hogs for export to the London market.

ANIMAL SUBSTANCES (MAINLY UNMANUFACTURED) NOT FOODSTUFFS

Under the heading "hides and skins, other than cattle, goat, horse, sheep, and rabbit," which would include raw furs, imports were valued at £204,270 (£195,611), and the chief countries of origin were: United States, £84,865 (£90,258); Canada, £69,933 (£52,447); Soviet Union, £20,653 (£12,371); and the United Kingdom, £11,049 (£10,616). Shipments from Canada have shown continuous increase for several years, and Canadian muskrat, silver fox, and skunk appear to be the principal furs of interest to dressers and dyers in Australia. Demand and prices are largely dependent upon fashions, but there are indications of a wider market than for some years past for furs of medium quality.

VEGETABLE SUBSTANCES AND FIBRES

Under the heading "fibres, other," imports were valued at £44,204 (£20,385), of which Canada is credited with £4,169 (£671); Union of South Africa, £10,554 (£1,038); Germany, £8,336 (£2,703); and the United Kingdom, £4,536 (£2,470). The substantial increase in shipments from Canada indicates the activity in Australian industries using asbestos fibre.

Plastic resins and moulding compounds were imported to a value of £93,017 (£76,275), mostly from the United Kingdom (£87,538) and the United States (£4,719). Imports from Canada were valued at £70 (£12), and it is possible that the Dominion could participate in the trade to a much greater extent if these materials were available at competitive prices. The use of plastics in Australian manufactures is increasing rapidly.

Chemical wood-pulp was imported to the extent of 43,373 tons (35,494 tons) valued at £311,002 (£247,544). Sweden's share was £210,786 (£176,111); Finland's, £80,423 (£59,544); Norway's, £13,376 (£7,145); and France's, £2,937 (£4,411). Canada supplied 26 tons (£165) as against 34 tons (£185) in the preceding year.

The opportunities for Canadian wood-pulp for the rapidly advancing Australian paper-making industry are worthy of further investigation.

Gardening and horticultural seeds, £38,635 (£18,764), were imported principally from the United States, £11,644; the United Kingdom, £7,547; and New Zealand, £7,466. Canada apparently did not participate in this trade.

Other unspecified seeds, £149,502 (£148,406), were imported from New Zealand, £63,208; India, £29,913; Manchukuo, £12,784; the United States, £6,595; and Japan, £6,567. Canada is credited with 1,014 under this heading as compared with £265 in the preceding year.

Imports of tanning substances and extracts were valued at £57,968 (£56,969) and originated in the Union of South Africa, Argentina, the United Kingdom, India, and the United States. There were no imports recorded from Canada.

APPAREL, TEXTILES, AND MANUFACTURED FIBRES

Imports of this class are second in value only to imports of machinery, and cover a wide range of articles, though the specific items of interest to Canada are somewhat limited.

Apparel.—Total, £1,657,779 (£1,669,855). Remarkable progress has been made in the import from Canada of ladies' dresses of silk, as out of total importations valued at £37,684 (£31,368) Canada is credited with £19,698 as compared with £1,824 in the preceding year. Other countries participating were: United Kingdom, £7,034 (£5,177); United States, £3,997 (£19,530); France, £3,001 (£1,609); Germany, £2,729 (£2,000); and Austria, £1,021 (£583). It will be noted that Canada has replaced the United States as principal country of supply. This is largely due to the operation of the trade diversion policy of Australia in the year under review, but even with the removal of the prohibition on such imports from the United States and the increase in duties on Canadian dresses from the British preferential to the intermediate rate, it is considered that Canadian firms will hold a substantial proportion of the business, as their products are suitable and they are adequately represented in Australia.

The manufacture of all kinds of apparel is carried on extensively in Australia, so that there are only limited and decreasing opportunities for the import of articles of a special type or of the latest fashion. This is borne out by the statistics on imports of corsets, valued in 1936-37 at £11,841 (£15,970), the chief supplying countries being the United Kingdom, £5,106; France, £5,079; United States, £1,324; and Canada, £261. Coats, jumpers, sweaters, and similar knitted garments of wool were imported to a value of £11,524 (£9,814), chiefly from the United Kingdom (£10,661) and Austria (£704). Imports from Canada were too small to be separately classified.

Men's and boys' overcoats valued at £68,918 (£53,304) were imported almost wholly from the United Kingdom, £68,412.

The requirement of a 75 per cent Canadian factory or works content can scarcely be met unless the cloth is substantially of Canadian origin, and this, apart from the greater ability of factories in Great Britain to cater to this trade in style and price, is one reason for lack of participation by Canadian firms, who are thus precluded from using, for example, materials of United Kingdom origin, which would not count towards the necessary Canadian content.

Silk hosiery, full-fashioned, was imported to a limited extent, £6,352 (£8,134). Canada obtained the bulk of the trade with £4,842 (£4,036) as compared to the United Kingdom, £759 (£1,438). There are a number of large Australian hosiery factories which cater to the whole trade except for a few exclusive lines in the production of which some Canadian manufacturers have demonstrated exceptional skill.

Imports of other unspecified apparel and attire were valued at £161,609 (£139,915), of which the principal shippers were the United Kingdom, £63,153; Japan, £37,495; China, £21,028; France, £10,834; and the United States, £5,890. Canada's share was £981 as compared with £360 in the preceding year.

Boots and shoes wholly of leather were imported to some extent for the more exclusive trade, as Australian production is adequate for ordinary requirements.

Men's shoes, £11,963 (£6,412), originated chiefly in the United Kingdom, £9,366 (£6,381); Canada, £960 (£92); Switzerland, £698 (£352); and the United States, £232 (£1,242). Canadian participation increased substantially through the efforts of some of the leading makers of fashion shoes.

Women's shoes were imported to a value of £18,511 (£31,452), a substantial decline in total value, although quantities showed an increase to 54,062 pairs from 44,205 pairs. The chief suppliers were the United Kingdom, £8,779 (£4,703); Switzerland, £4,355 (£10,594); Canada, £2,758 (£1,071); and the United States, £656 (£11,887). Canada and the United Kingdom both showed substantial increases, while imports from the United States and Switzerland declined in even greater proportion. Some Canadian firms have shown an aptitude for catering to the demand for ladies' shoes of good style and in a variety of fittings which local manufacturers cannot at present equal. The prospects for the continuance of this exclusive business are reasonably bright.

Slipper forms and piece-goods suitable for boots, shoes, and slippers were imported to a value of £56,785 (£97,272). The business was divided among Japan, £28,860; the United Kingdom, £23,892; and the United States, £3,417. No imports from Canada were recorded.

There is a substantial market in Australia for buttons and buckles, of which imports were valued at £130,620 (£153,333). The United Kingdom, Czechoslovakia, France, Germany, Italy, and Japan supplied the bulk of the imports, while those from Canada were too small for separate classification. Efforts at present being made may result in some participation by Canadian firms in this business, although the competition is extremely keen.

Furs and other skins dressed and prepared (except rabbit) were imported to a value of £115,040 (£119,108). Chief countries of origin were the United Kingdom (£72,398) and Russia (£22,344), while Canada's share was £2,902 as compared with £3,381 in the preceding year. Purchases are made chiefly in London, where buyers can conveniently obtain those dressed furs which are in greatest demand. More frequent visits of Australian departmental store buyers to Canada may result in some improvement in the Canadian share of this trade.

Kid and leather gloves were imported to a value of £175,126 (£181,472), but Canada did not share to any extent in the trade, supplies being obtained chiefly from Belgium, £47,864; Italy, £26,993; Czechoslovakia, £25,110; the United Kingdom, £23,647; France, £19,659; and Germany, £15,898.

Practically the same situation obtained with respect to textile gloves, which were imported to a value of £182,140 (£187,521), chiefly from Germany (£128,477) and the United Kingdom (£23,727). Canada's share was £263.

Fur felt hats, n.e.i., were imported to a value of £50,249 (£55,254). Canadian manufacturers were unable to meet the necessary 75 per cent Canadian content requirement because of the foreign or undetermined origin of the fur, and most of the business was placed with the United Kingdom (£47,853). Canada's share was only £247 as compared with £2,460 in the previous year. In fur felt hats and capelines Canada's share was £750 out of total imports valued at £15,641, in competition with the United Kingdom (£5,287) and various other European countries.

Textiles.—Total, £13,354,281 (£12,648,761).

Articles n.e.i., Partly or Wholly Made Up from Textiles or Feathers, including Material Cut into Shape therefor, £49,623 (£41,677).—Imports were chiefly from the United Kingdom, £26,563; United States, £8,352; Japan, £5,785; and Germany, £2,750. Canada shipped to a value of £1,947, an increase from £1,643 in the preceding year.

Articles Partly or Wholly of Felt.—£6,929 (£4,772).—These were supplied by the United States, £4,369; United Kingdom, £1,415; and Canada, £833.

Blankets and Blanketing, £38,118 (£40,579): Japan, £18,936; United Kingdom, £14,933; United States, £2,134; Canada, £979.

Floor Coverings, including Carpets and Carpeting, Floor Rugs and Coverings, and Mats, £1,176,375 (£1,085,153): United Kingdom, £1,061,380; Belgium, £60,663; Japan, £10,953; China, £10,152; United States, £1,629. Canada's share was £97. This trade is worthy of investigation, and some Canadian firms are endeavouring to participate.

Linoleum, Plain, £21,844 (£9,096).—The United Kingdom with £19,158 and Canada with £1,019 obtained the bulk of this trade, which is relatively small, as excellent linoleums are now made in Australia.

Linoleums, Other, £457,134 (£420,149): United Kingdom, £431,395; Canada, £12,375 (£3,648); Netherlands, £10,569; and the United States, £2,381 (£21,162). Canadian products of this class are well received.

Cannas and Duck, n.e.i., £460,490 (£461,297): United Kingdom, £391,147; Japan, £60,683. Canada supplied to a value of £1,376 (£2,249).

Cotton, n.e.i., Grey, Unbleached, £353,264 (£266,375).—The United Kingdom, £230,435 (£148,998), and Canada, £58,303 (£610), accounted for the large increase, while Japan, £62,822 (£115,997), showed a substantial decrease. The entry of Canada into this section of the textile trade is one of the interesting developments of the year.

Cotton, n.e.i., White, Bleached, £790,757 (£693,218).—The United Kingdom (£724,112) and Japan (£58,488) were the principal suppliers. Canada's share was £160 (£1,677).

Oil Baize, £67,270 (£58,774): United Kingdom, £63,164 (£49,357); Canada, £3,913 (£6,313); United States, £155 (£2,999).

Cotton n.e.i., Printed, Dyed, or Coloured, £2,232,424 (£2,356,495).—The United Kingdom, £1,884,198 (£1,787,001); Canada, £72,681 (£36,400); and Belgium, £26,243 (£25,758), increased their shares, while imports from Japan, £208,262 (£448,047), and the United States, £6,122 (£33,809), decreased substantially. Canadian cottons of this kind are particularly well liked, their quality, design, and colour making them suitable for the better-class trade.

Felts of Wool or containing Wool, £39,266 (£46,159).—The United Kingdom (£25,438) and Canada (£13,284) divided the bulk of this trade.

Other Felts, not of Wool or Paper, £13,771 (£5,542).—Canada shared to a minor degree, £546 (£365), with the United Kingdom, £12,237 (£4,101).

Felts for Asbestos Cement Sheetmaking Machines, £6,779 (£8,206): United Kingdom, £2,940; Belgium, £2,212; Canada, £1,135.

Silk Piece-goods (not Knitted), £246,454 (£345,464).—Japan, £198,948; the United Kingdom, £15,753; France, £13,926; and Canada, £3,515, were the principal countries of origin. Since these statistics were issued Canadian shipments have increased very substantially as a result of special efforts by Canadian mills to cater to Australian requirements.

Silk (Artificial) Piece-goods (not Knitted), £2,594,625 (£2,340,787).—The United Kingdom, £1,188,495; Japan, £1,090,157; Germany, £131,209; Switzerland, £45,686; and Canada, £23,001, were the principal suppliers. Japan's share decreased by £308,000, which was more than made up by increased imports from the United Kingdom. The value of imports from the Dominion increased from £18,230 in the preceding year, and in recent months has shown rapid improvement following market research by representatives of Canadian firms.

Velvets, Plushes, Sealette, £283,990 (£242,727).—While Canadian participation was small, £1,134 (£956), it showed some growth. The business is held principally by Belgium, £91,887; the United Kingdom, £69,449; France, £56,133; and Japan, £25,541.

Woollen Piece-goods, including Suitings, Moquettes, Flannels, etc., £281,760 (£259,236).—While imports were considerable, most of the business was placed in the United Kingdom, and Canada shared only in the item "other woollen piece-goods" to a value of £539 (£215).

Piece-goods n.e.i., not Wool or Silk, Flannelette, £402,693 (£356,549).—The United Kingdom (£357,319) and Japan (£43,115) were the chief suppliers. Canada's share was £810 (£532).

Table Covers, Sheets, Counterpanes, Bedspreads, £128,812 (not separately recorded in 1935-36).—The United Kingdom (£62,255) and many continental countries participated, with Japan, £26,700; China, £14,941; United States, £1,734; and Canada, £1,160 making up the balance. The Canadian trade represents a demand for novelty lines and is showing some growth.

Other Piece-goods, £117,765 (£203,395).—This trade was divided between the United Kingdom, £58,324 (£63,369); Canada, £54,793 (£132,700); and Japan, £3,568 (£4,716). Most of the decrease is in imports from the Dominion, but the special commodities represented are chiefly imported duty free under by-law for use by certain Australian manufacturers who obtain their requirements from affiliated firms in Canada and the United Kingdom.

Yarns and Manufactured Fibres.—Total, £3,047,544 (£2,973,738).

Cordage and Twines, £187,327 (£112,073).—Imports were chiefly from the United Kingdom to supplement local manufacture, which is extensive. Canada shipped cotton twines to a value of £944 (£391) out of a total of £4,915 (£6,307), and the United Kingdom supplied most of the remainder.

Other Cotton Cordage and Rope, £134,387 (£67,282).—These came principally from the United Kingdom, £132,326 (£54,871), although Canada supplied to the extent of £628 (£11,367), a marked decline as compared with the preceding year.

Yarns, Mercerized Cotton, £173,458 (£220,128).—The United Kingdom's share was £166,824 and that of Japan £6,174. Canada shipped to a value of £228 (nil). An Australian factory now supplies a large proportion of the requirements in these yarns.

Yarns, Other Cotton, £29,808 (£20,216): United Kingdom, £25,848; Japan, £2,756; Canada, £573.

Yarns, Woollen—Worsted (Combed and Corded), £35,514 (£54,497).—Imports from Canada were valued at £510 (£1,085), as against £32,512 (£50,314) from the United Kingdom, the largest supplier.

Yarns, Other Woollen (including Mohair and Alpaca), £15,640 (£19,596).—Canada increased her share with £1,156 (£415), while the United Kingdom, £13,888 (£17,978), showed a decrease.

Sewing and Other Cottons, Threads, etc., £470,522 (£526,652).—These are made extensively in Australia, but imports of some items are of interest to Canada.

Sewing and Embroidery Silks and Silk Twists, £70,422 (£91,298).—Canada participated to some extent in this trade (£6,202), but the United Kingdom (£48,270) was the chief supplier, followed by Germany (£14,195).

Cotton, Absorbent, not Medicated, £25,781 (£18,851).—The United Kingdom (£14,881), the United States (£8,297), and Canada (£2,227) were the chief suppliers.

Yarns, Silk or Silk Mixture, £5,235 (£8,535).—Canada, with £865 (£94), enjoyed a fair share of this small item; the United Kingdom, Italy, and Switzerland divided the balance.

Yarns, n.e.i., £7,254 (£3,966).—The United Kingdom, £6,992 (£3,915), and Canada, £170 (nil), supplied the bulk of these yarns.

Most of the yarn imports are for the use of manufacturers in Australia to supplement local production. The trade, except in special counts and materials, will probably decrease because of the development of Australian production, which will only require the import of primary raw materials. However, there are opportunities from time to time which are of interest to Canadian firms.

OILS, FATS, AND WAXES

Few of the oils in bulk are available from Canada, since they chiefly comprise petroleum, castor, China, Colza, olive, and others either not produced in Canada or else not available there for export. However, the fish oils include some in which Canadian firms are endeavouring to extend their market.

Cod Liver Oil, Refined, not Compounded.—Total, £12,677 (not separately recorded in 1935-36).

The United Kingdom supplied 52,414 gallons valued at £10,637; Norway, 8,369 gallons valued at £1,399; Iceland, 2,004 gallons worth £641. Canada was not represented.

Fish, Seal, and Penguin Oil (Unrefined).—Total, £25,264 (£24,354). Japan is credited with £10,418; the United Kingdom, £9,742; Norway, £4,570; and the United States, £365. Canada shipped 134 gallons, for which the value is not separately shown.

Kerosene, Power.—Total, £358,158 (£258,027). Imports are chiefly from Netherlands India, £254,731, with smaller values from the United States, £73,365; Iran, £22,184; and Borneo (British), £6,938.

Kerosene and Other Refined Petroleum Burning Oils n.e.i.—Total, £202,257 (£209,834). Imports were mainly from Netherlands India (£150,865) and the United States (£39,306).

Linseed Oil.—Total, £25,573 (£29,881). Supplies were imported from the United Kingdom (£24,758), United States (£442), and Netherlands (£371). Most of the linseed oil used in Australia is expressed from the seed imported from India, Argentina, and China. However, there may be occasions on which Canadian producers of the oil can compete.

Tung Oil.—Total, £72,134 (£60,788). China (£68,588) and Hongkong (£2,424) provided most of the supplies. In view of disturbed conditions in the East, there may be opportunities for Canadian tung oil or for substitutes.

Turpentine.—Total, £60,249 (£65,027). Imports were chiefly from the United States (£59,613), although an endeavour was made in the preceding year to obtain supplies from Canada and a small sample shipment was imported.

Oils, n.e.i., including Vegetable Unspecified and Tallow Oil.—Total, £88,884 (£92,959). Imports were from many countries, including: United States, £35,263; United Kingdom, £16,793; Germany, £16,613; Belgium, £7,317; Japan, £2,450; Netherlands India, £2,049; Soviet Russia, £1,275. Some 447 gallons, of unstated value, originated in Canada.

It is believed that an excellent opportunity exists for certain fish oils of Canadian origin for use in the paint and allied industries, as well as in the manufacture of feedstuffs for live stock, poultry, etc.

Paraffin Wax.—Total, £57,928 (£78,364).—Imports were chiefly from Netherlands India, £29,767; India, £13,009; and the United States, £7,802. In 1935-36 Canada is credited with having shipped paraffin wax to a value of £5,341.

While there are few items under oils, fats, and waxes which Canadian firms are in a position to supply, in some individual cases there are undoubted opportunities which may repay investigation.

EXCHANGE AND TRADE CONTROL IN JAPAN

T. J. MONTY, ASSISTANT TRADE COMMISSIONER

Tokyo, June 6, 1938.—Most of the restrictions, apart from tariffs, which are hampering international trade have developed since 1931, when international credits stopped flowing and debtor nations felt the necessity of introducing exchange restrictions and other measures of trade control in order to protect their national currencies.

Exchange control in Japan was initiated in the fall of 1931 and was put in operation in July, 1932, under the "Law Concerning the Prevention of Expatriation of Capital." As its name implies, the purpose of this law was to conserve foreign exchange funds and prevent the flight of capital. This law was superseded by the "Law Concerning Foreign Exchange Control," which went into force in May, 1933. While one of the main purposes of this law was to check speculation in Japanese currency, its ultimate object was to prevent further depreciation of the yen. Although trading in yen for speculative purposes was strictly prohibited, no restrictions were placed on the purchase of exchange for commodity trade requirements. It was not until January 8, 1937, that this law was enforced with the purpose of controlling the granting of exchange and, indirectly also, the import of goods into Japan.

As from January 8, 1937, the permission of the Minister of Finance became a prerequisite for the purchase of exchange for the settlement of accounts for imported goods exceeding 30,000 yen a month; this limit of value has since been reduced to 100 yen. Permission must also be secured for the acquisition of letters of credit, the disposal of overseas funds, and orders for payment by foreign exchange banks.

Provisions were also incorporated requiring importers wishing to purchase exchange for their imported goods to file with the Finance authorities statements of their previous yearly imports and current monthly imports as well. In this way control over the import trade was initiated, a check being placed upon purchases considered speculative or unessential by withholding exchange in payment.

The new provisions under the Exchange Control Law, enacted as from January 8, 1937, were to remain in force until July 31, 1937; however, a number of revisions have been made since that time, which prolong indefinitely the control over the granting of foreign exchange and which have tightened up that control.

A great deal of confusion arose in the trade when the new legislation came into force in 1937, as a result of the impediments to the normal flow of imports.

The new policy, which at first was for the purpose of preventing large speculative purchases and the flight of capital, gradually assumed a form of discriminating control over imports as a result of the preference given in the granting of exchange for goods deemed necessary while withholding exchange for other imports. In other words, the exchange licence system was not only for the purpose of reducing the volume of imports but also to ensure sufficient funds for the import of materials for national defence by giving them preference over other materials not so urgently needed.

The absence of specifications as to what were considered non-essential articles led to confusion, which necessitated the enactment of legislation definitely specifying what constituted luxury and non-essential articles. This

legislation, under the name of the "Emergency Import and Export Control Law," came into force on October 11, 1937, under the authority of the Commerce and Industry Ministry.

IMPORT CONTROL

There are at present, therefore, two separate laws imposing restrictions upon the import trade, administered by two different ministries. The first, dealing with exchange control, which governs the issue of permits for the purchase of exchange, is administered by the Department of Finance; the second, covering trade control, is administered by the Department of Commerce and Industry. By this latter law the Government was given power to control the import and export trade and also the production, distribution, and consumption of commodities in Japan. It is under the provisions of this law that import restrictions and prohibitions are at present being applied to the import of Canadian and other goods into Japan.

EXCHANGE CONTROL

Under the Law of Exchange Control and as from December 11, 1937, the limit for free exchange transactions, i.e., for which no government licence is required, has been reduced from 1,000 yen (this limit was 30,000 yen in January, 1937) to 100 yen per month.

Imports valued at more than 100 yen are not allowed entry without a bill of exchange, and a permit for exchange for money orders or letters of credit is required in order to effect payment for such imports.

In the application which importers are required to submit to the Exchange Bureau of the Finance Department, in order to obtain a permit for the purchase of foreign exchange, a great number of details are required. These are summarized as follows:—

Application for special permit for purchase of foreign exchange—

1. Applicant.
2. Designation of foreign exchange.
3. Payee.
4. Payment of foreign exchange.
5. Spot or future contracts.
6. Seller.
7. Estimated period of purchase.
8. Object, etc.
9. Commodity.
10. Tariff item.
11. Quantity.
12. Unit price.
13. Price.
14. Country of origin.

Other particulars—

1. Date of order.
2. Packer.
3. Port of shipment; port of entry.
4. Disposal of imported articles: period of sale; period of payment.
5. Collection of payment and period thereof for the importation to localities in which Japanese currency is legal tender.
6. Partial payment.
7. Reason for delay of application for permit after placing orders or making contracts for purchase.
8. Other.
9. Documents to be attached.

SUGGESTIONS FOR EXPORTERS

Since all shipments to Japan must be accompanied by a bill of exchange for the whole or part of the shipment's value, consignment shipments should not be contemplated, even in the case where the integrity of the consignee is fully established.

Payment for such shipments may be held up by the exchange and trade restrictions in force, which are gradually becoming more severe. Licences may not be obtained for several weeks or sometimes for several months or they may be delayed indefinitely, and in some cases when these are for goods which are on the virtually prohibited list, they may be refused altogether. It is therefore advisable for the exporter to make sure of payment for his goods before shipment.

With a view to avoiding difficulties attendant upon the obtaining of necessary import permits and exchange, it is advisable for exporters and shippers when using letters of credit to be careful that there is no misuse of such letters of credit. These should be made to apply to specified shipments, and shipments should be made within a specified time. Alteration of the terms or the provisions of letters of credit should be avoided. Extensions cause trouble, as fresh applications, with concurrent delays, become necessary. Advice should be given immediately when unavoidable delays occur in making shipments. Excessive shipments are questioned and require additional permits, which also create delays and complications in payment.

The foregoing is a brief summary of recommendations which are made by trading firms in Japan to their shippers overseas in order to avoid difficulties of payment.

FURTHER PROVISIONS OF EXCHANGE CONTROL LAW

Further provisions of interest under the Law of Exchange Control deal with the following: (1) the ban on exports without negotiation of drafts, in order to prevent imports financed by export shipments; (2) control of foreign currency assets held abroad; (3) supervision of the movement of funds by banks and their foreign branches.

In fact the Government has acquired the right of control over all assets held abroad by Japanese individuals or corporations. This power is to be used in case of emergency, when such foreign resources might be required to meet international payments.

All exchange banks have agreed to support the Government's policy of maintaining the yen at 1s. 2d., and as a result of the gold reserves revaluation, a foreign exchange stabilization fund has been created for the adjustment of possible unfavourable balances in international accounts.

TRADE CONTROL

The second measure, which controls import trade and is supervised by the Ministry of Commerce and Industry, is the Emergency Import and Export Control Law.

Trade control was initiated as the result of the necessity for bolstering exchange control and to protect the national currency by the improvement, if possible, of Japan's commodity trade balance. Its further object, apart from serving as a means of adjusting one-sided trade relations with foreign countries, was to exclude the import of goods considered to be luxuries and favour the entry of essential materials.

Under the same law the Government was given power to control production, distribution, and consumption of commodities in Japan.

Under this law the confusion which formerly existed as to what constituted luxury or non-essential goods was largely cleared up, and on October 11, 1937, regulations were promulgated listing commodities under three schedules, a fourth having been added recently. Schedule A consists of goods the imports of which are restricted; Schedule B lists 269 tariff items covering articles the imports of which are virtually prohibited; and Schedule C lists articles the export of which is to be controlled. A few amendments have been made to these lists, and a further Schedule D was added on March 23, 1938, listing ores and metals, the imports of which are to be controlled in order to ensure adequate supplies. A full review of the regulations under this law was published in *Commercial Intelligence Journal* No. 1765 (November 27, 1937), page 943, but the following summary may be useful:—

SCHEDULE A

For the importation of articles under this schedule of more than 100 yen in value a permit is required from the Minister of Commerce and Industry. This schedule now includes hides, rubber and substitutes, cotton, jute, wool, pulp, and wood. With a view to effecting economies, imports of these commodities have been and are being restricted in accordance with bare necessities and as determined by the Ministry of Commerce and Industry.

With regard to imports under this schedule and to general imports, it may be pertinent to note that although permits may be obtained from the Commerce and Industry Ministry, this does not necessarily imply that exchange permits will be granted by the exchange control authorities of the Finance Ministry. An effort is now under way to co-ordinate these two departments in order to expedite the granting of permits for both import and exchange.

SCHEDULE B

Under this schedule a list of 269 tariff items are enumerated in whole or in part, covering mainly clothing, food products, pharmaceuticals, sports equipment, jewellery, and such products as may be procurable in Japan or be classed as luxury products. A virtual prohibition of the importation of these articles is enforced, although there is a possibility of their being imported from certain countries with which Japan's trade is favourable. The Department of Trade and Commerce, Ottawa, is in a position to advise whether exportable goods fall under this virtual prohibition. Imports valued at less than 50 yen and which are not for sale do not require a permit.

SCHEDULE C

This includes articles the export of which when exceeding 100 yen in value is under close control, and permits are required in order to ensure adequate home supplies. These comprise: furs, pig hair, naphthalin, nitric acid, waste cotton and paper, coal, antimony ores and sulphides, alloys, iron, precious metals, automobiles, engines and parts.

SCHEDULE D

Under this schedule, recently added, the following articles are listed: platinum, copper, lead, tin, zinc, mercury, antimony and sulphide of antimony, brass and bronze, and ores of copper, lead, tin, zinc, nickel, and antimony. Imports of these metals and ores of a value exceeding 100 yen cannot be effected without a permit from the Minister of Commerce and Industry.

PERMITS

In order that the importer may obtain an import permit for goods listed under the above Schedules A and D of the so-called "restricted" classification, or Schedule B, the so-called prohibited classification, application must be submitted in duplicate to the Minister of Commerce and Industry setting forth the following particulars:—

1. Name of article.
2. Quantity and estimated value (to be set forth separately for each different kind of article).
3. Place of production or manufacture.
4. Port of shipment.
5. Port of importation.
6. Time of importation.

For the export of goods listed under Schedule D the exporter must submit the following particulars:—

1. Name of article.
2. Quantity and value (to be set forth separately for each different kind of article).
3. Name or title and the office or place of business of the buyer.
4. Destination.
5. Port of consignment.
6. Port of exportation.
7. Time of exportation.

After importation or exportation has been effected, full particulars must be submitted to the Minister of Commerce and Industry within seven days.

The above, which have been briefly reviewed, are the two chief measures which are at present affecting the entry of Canadian and other goods into Japan.

EFFECTS OF RESTRICTIONS

As to the effect that these restrictions are having upon trade, the total value of Canada's trade was increased in 1937, due to the fact that the bulk of the Canadian goods imported consisted of raw materials necessary to Japan. On the other hand, importation of a great number of items formerly purchased from Canada has ceased as a result of the restrictions and prohibitions outlined above. These include food products such as meat (except beef and canned meats), poultry and game, macaroni, vermicelli, powdered and evaporated milks; industrial products such as certain classes of leather, rubber gloves and products; papers, bond and kraft; wallpaper; furs, etc.

Japan's trade balance with Canada is unfavourable and, due to the policy adopted of safeguarding the currency through the control of trade, there is a trend towards the elimination, where possible, of imports from the Dominion of commodities considered unnecessary or for which substitutes can be obtained locally. An attempt has been made by large trading firms—a policy advocated by responsible trade associations and trade organizations—to carry on trade on a barter basis, whereby exchange transactions are eliminated. This practice has not, however, received official support in view of the fact that it is not in accordance with legislation in effect.

IMPORT PROGRAM

Considerable agitation has taken place in the trade with regard to the restrictions applying to the import of commodities such as cotton, wool, lumber, rubber, pulp, etc.

In order to devise a rational import program in keeping with the present situation and with essential requirements, a bureau has been created under the direction of the Ministry of Commerce and Industry called the Temporary Commodity Adjustment Bureau.

One of the main functions of this bureau is to determine and adjust the supply of imported articles and to ensure a proper distribution of these commodities.

It is expected that, as a result of a close study of imports, the total volume of imports will be fixed, and a definite allocation will be made monthly, due consideration being given to the position of foreign exchange.

The materials first placed under the control of the bureau are iron, non-ferrous metals, coal, machinery, raw cotton, cotton yarn, wool, chemicals, pulp, paper, hides, and leather.

Due to the conflict of authority over import trade between the Finance Department and the Department of Commerce and Industry, the one controlling exchange permits and the other import permits, and the resulting confusion in the trade, a plan is at present under way to unify the two bureaus—the Exchange Bureau and the Commodity Adjustment Bureau—and this may result in smoother operation of the present system of exchange and trade control by the granting of single permits instead of the two permits previously required.

MANCHUKUO

Trade and exchange control in Manchukuo have developed along lines similar to those of Japan. For exchange transactions above 100 yuan (or yen) in value permits are required, and imports of luxury goods are restricted or prohibited, as exchange is not allowed for such imports. No list of restricted or prohibited goods has been made available, although a number of commodities, such as rice, wheat and flour, sugar, tobacco, and soda ash, have been listed for special import control. Export control is also exercised over a number of specified commodities.

A permit system also applies to imports and exports which do not require exchange transactions. Provision has been made to favour certain classes of imports by the exemption from duties of materials for aircraft manufacture, refining of metals, gold mining, coal liquefaction, and iron works. Trade barter arrangements are under consideration by large trading firms for the supply of machinery and needed materials against the receipt of commodities produced by Manchukuo.

This control over exchange and trade in Manchukuo has served to link Japan and Manchukuo more closely, as Japan is not affected by these restrictions to the same extent as foreign countries.

INCREASED TAX IN BRAZIL ON FOREIGN EXCHANGE OPERATIONS

L. S. GLASS, CANADIAN TRADE COMMISSIONER

Rio de Janeiro, June 14, 1938.—The President of Brazil signed a decree-law on June 9 modifying decree-law No. 97 of December 23, 1937, which imposed a 3 per cent tax on all exchange operations other than those for the account of the Bank of Brazil or the Government. (See *Commercial Intelligence Journal* Nos. 1778 and 1785: February 26 and April 16, 1938, respectively.)

By the new decree the tax payable has been increased to 6 per cent in the case of transactions involving the purchase of exchange covering payments abroad to the account of enterprises under contract for public services, for dividends and profits in general, and for all other remittances. The 3 per cent tax is still payable in the case of exchange transactions arising from the import of merchandise and payments of freights arising from the exportation of Brazilian products.

CONDITIONS IN PERU

S. G. MACDONALD, ACTING TRADE COMMISSIONER

(One sol equals approximately \$0.25 Canadian; one metric ton equals 2,204 pounds;
one kilo equals 2.2 pounds)

Lima, June 6, 1938.—The general upturn of economic conditions in Peru which began in 1933 continued steadily during the succeeding years, so that 1937 may be regarded as one of all-round prosperity. The general basis of internal economy during that year, and which was carried forward into the present one, has been an active prosecution of public works. In these measures the Government has been aided greatly by the levels of foreign trade (see *Commercial Intelligence Journal* No. 1791: May 28, 1938, page 867). Mining, petroleum, cotton, and sugar exports were relatively high, while the continuous and abundant supply of foreign exchange has now led the Government to take steps to relieve the situation arising from foreign debts. To this purpose S/4,000,000 was set aside in the 1938 budget.

FOREIGN DEBT SERVICE

United States bondholders are principally affected by the renewal of the foreign debt service. It has been their contention, probably with reason, that this could have been effected much earlier, as Peru has never had a transfer problem and is the only country in South America with uninterrupted free exchange. One of the United States loans, that to the United Aircraft Export Company, was paid in February, 1938, while negotiations are still proceeding with respect to two others.

British investments are more concerned with domestic economy, and while the position is not too bright for these ventures, some hope is expressed, particularly for the railways, as conditions show improvement owing to feeder-road building and the stimulation of production by extensive irrigation.

The Peruvian Government view the foreign debt settlements as a matter subject to the needs of the country and the economic resources of the State. Funds which might have been used for foreign debts are required for the public works program.

ROAD-BUILDING PROGRAM

A three-year road-building program, which became really effective in 1937, calls for an investment of not less than S/50,000,000 by the end of 1939. Up to the present years S/20,000,000 had been spent and S/24,000,000 is allotted for 1938. It is estimated that some 60,000 men are employed on these and other public works, which reduces unemployment to a minimum. More than 400 kilometres have now been asphalted, and it is anticipated that a total of 2,000 kilometres will be reached by the end of 1939. Previously there were not more than 500 kilometres asphalted in the republic. Several important highways such as the Lima-Pisco (250 kilometres) and Arequipa-Cuzco are now completed. Within a few months it is anticipated that the road from Lima to Arequipa (1,300 kilometres) will be finished. In the north every effort is also being made to complete the sections to be used for the Pan-American highway. Consequently it is hoped that, although much will be unpaved, the 3,000-kilometre road from Ecuador to Chile will be suitable for traffic by the end of the three-year program.

AGRICULTURE

Owing to the peculiarities of climate and topography, the progress of Peruvian agriculture is to a considerable extent bound up with irrigation, upon which some S/14,500,000 has already been spent. The Government has taken

up this problem seriously, and further important steps to widely develop irrigation are anticipated. In the northern regions the more extensive development of rice and cotton are predicated upon irrigation schemes. Thus, with insufficient irrigation facilities up to the present, wheat growing has been encouraged, with increases in the crop from 48,000 tons in 1934 to 90,000 tons in 1937. With a continued proportionate increase, Peru should be enabled to meet home consumption demands within a few years instead of importing the bulk of requirements from Argentina and Chile. The export values of the principal agricultural products in 1937, with comparative figures for 1936 within parentheses, were as follows: cotton, S/88,702,825 (S/90,489,524); sugar, S/31,756,799 (S/25,031,402); alpaca, S/9,066,299 (S/7,031,065); wool, S/6,529,563 (S/5,096,735). The total value of all exports of agricultural products in 1937 was S/129,956,981 as compared with S/125,257,471 in the preceding year.

PORT DEVELOPMENT

During the past ten years the annual tonnage landed at Callao, the port of Lima, has increased from 600,000 to 1,000,000. Consequently, there has been a definite need for more and better port facilities. One of the leading firms in the United States specializing in such work was given a S/6,000,000 contract to develop the port. Where only a few years ago goods were taken off on lighters there are now several piers at which ships can dock, and others are under construction. In addition, a large graving dock and other important harbour facilities have been or are being built. This same company obtained a S/16,000,000 contract for the construction of a new port of Matarani, which will replace Mollendo, the most important port of southern Peru as an outlet to the sea for the southern provinces and Bolivia. Via a British-owned railway, Mollendo links up Bolivia by way of Lake Titicaca, Cuzco, and Arequipa.

MINING AND PETROLEUM INDUSTRIES

While sugar, cotton, wool, and other agricultural products form an indispensable part of Peruvian industry, the products of the mines and oilfields, practically all of which are exported, provide a background for Peruvian national wealth and economy. In 1937, petroleum exports, almost the entire production, amounted to 1,533,019 metric tons valued at S/83,371,446 as compared with 1,505,162 tons valued at S/77,705,650 in 1936. Other refinery products in 1937 totalled 525,013 tons valued at S/37,377,457.

Next in importance to petroleum and its products are gold and silver, for which production and exports totalled 5,246 kilos for the former (S/23,613,800) and 528,560 kilos for the latter. In 1936 exports of these two metals totalled 3,934 kilos and 619,219 kilos respectively. Other important metals exported included copper, 36,648 tons (321,598 in 1936); lead, 38,371 tons (29,304); zinc, 15,999 tons (26,041); antimony, 1,487 tons (1,225); bismuth, 107 tons (386); molybdenum, 83 tons (16); tin, 198 tons (99); vanadium, 1,040 tons (238); tungsten, 18 tons (55); magnesium, 50 tons (none); sulphur, 1,575 tons (2,183). The total value of these products exported amounted to S/90,009,885 as compared with S/73,411,992 in 1936.

Practically every index to the economy of the republic indicates that important advances were made during 1937 as compared with the previous year. With increases for the year for foreign trade, customs revenue, petroleum and mineral exports, domestic trade, value of the government domestic bonds, gold reserves and note circulation, public and private building, prices, etc., together with a budget surplus despite the extensive public works program, Peru showed evidence of prosperity at the end of 1937, which has continued into 1938, although with some slowing down as compared with the two previous years.

CHILEAN HIDE INDUSTRY

S. G. MACDONALD, ACTING TRADE COMMISSIONER

(The Chilean peso equals 5 cents Canadian approximately; one metric ton equals 2,204 pounds; one kilo equals 2.2 pounds)

Lima, Peru, June 8, 1938.—Although much of the land surface of Chile is mountainous, in the deep valleys and in the plains there is a cattle and horse raising industry of considerable importance. As a result, for years past Chile has been supplying most of its own needs in various types of hides and, to a fair extent, participates in export markets.

PRODUCTION AND CONSUMPTION

Up to the present no official statistics of production have been issued, consequently the only basis of information is the slaughterings, of which it is estimated the Statistical Bureau have records covering about 95 per cent. Taking those and an approximate 5 per cent unrecorded, the following figures give a fairly accurate estimate of production of hides for the past several years: 1930, 12,500 metric tons; 1931, 11,100 tons; 1932, 11,600 tons; 1933, 12,100 tons; 1934, 11,700 tons; 1935, 11,300 tons; 1936, 10,900 tons; and for the first seven months of 1937, 4,000 tons. The usual Chilean hide varies from 22 to 28 kilos in weight.

Annual consumption also must be worked out from other factors owing to a lack of definite statistics, but by combining the approximate figures of production and total imports and subtracting exports, the following fairly accurate estimates of consumption during recent years is obtained: 1930, 11,800 metric tons; 1931, 8,000 tons; 1932, 8,100 tons; 1933, 8,400 tons; 1934, 9,600 tons; 1935, 9,300 tons and 1936, 7,800 tons. The tanneries are the largest consumers of cattle hides, which are principally tanned into box-calf, patent leather, and leathers for furniture and shoe-making. Calf hides are completely absorbed by the local industries, none being available for export.

PRICES

About 40 per cent of the cattle consumed in the republic are killed in Santiago, the capital, making this the regular price market. The following indicates the maximum and minimum annual prices per kilo in that market for cow hides during the past several years:

Chilean Prices of Cow Hides

Year	Maximum	Minimum	Annual Average
	Annual Price	Annual Price	Maximum
	Pesos per Kilo	Pesos per Kilo	Price
1930	1.93	0.98	1.48
1931	1.10	0.40	0.74
1932	3.11	0.76	1.70
1933	2.60	2.20	2.28
1934	2.90	2.05	2.71
1935	3.62	2.75	3.23
1936	5.50	3.84	4.86

As these figures indicate, there has been a steady rise in average maximum prices since 1932.

IMPORTS

Chilean imports of cattle hides and the principal types of tanned skins during recent years have been as follows:—

Chilean Imports of Hides and Leather

Year	Raw Hides Kilos	Shoe Leather Kilos	Box-calf Kilos	Pat. Leather Kilos
1930	167,133	25,163	2,320	134
1931	67,434	1,071	381	7
1932	34,279	59	...	...
1933	31,621	74	...	...
1934	7,114	67	...	...
1935	101,782	252	...	...
1936	937,552	505	...	...

The above statistics indicate, graphically, the vagaries of the imports of raw hides and skins into Chile. From 1930 until 1934 there was a constant and important fall from 167,133 kilos to the insignificant total of 7,114 kilos; in the following two years there was an increase to the record total reached in 1936, the last year for which statistics are available. This is largely accounted for by the reduced production of hides within the republic and increased consumption, but also, and chiefly perhaps by the lower world prices as compared with those obtaining on the domestic market.

The development of the hide industry in Chile has been appreciable during the past few years, so that it is now possible for this country, where prices are competitive with those offered from abroad, to supply the domestic demand and have available supplies for export. The import of shoe leather, box-calf, and patent leather has practically ceased, and Chile no longer provides a market for those products for other countries.

EXPORTS

Naturally, with domestic prices rising during the past several years, the volume of exports was affected. Nevertheless, it is still of importance and, with firmer prices abroad, imports should fall off from the 1936 total and exports again advance. Germany has been the most important market for raw hides, followed by Italy and Great Britain. For shoe leather Germany and Great Britain are the largest buyers. Exports of box-calf and patent leather are of slight importance, and although the quality is fair, the better organization among exporters of these commodities in other countries and perhaps also price considerations have had an adverse effect on efforts to increase exports to other South American countries, the only purchasers.

Chilean Exports of Hides and Leather

	Raw Hides Kilos	Shoe Leather Kilos	Box-calf Kilos	Pat. Leather Kilos
1930	853,501	30,346	....	1,041
1931	3,173,874	33,956	7,631	717
1932	3,506,450	36,560	....	1,101
1933	3,731,521	47,672	154	17,959
1934	2,094,924	29,440	790	6,577
1935	2,061,923	1,024	....	6,408
1936	3,159,523	3,105	....	3,897
1937 (Jan.-July)	1,281,200	*	*	*

* Not available.

Owing to exchange difficulties, the exporters of hides, etc., are required to turn over 20 per cent of the foreign exchange received from their sales to the Exchange Control Commission at the official rate of exchange. The balance, known as "export" or "barter" exchange, may be retained for payment of approved imports or sold to third parties for that purpose.

WHAT THE CANADIAN EXPORTER CAN DO FOR THE TRADE COMMISSIONER

The meagre information frequently furnished by Canadian exporters places a serious handicap on the Trade Commissioner in his efforts to market their products.

A general statement, therefore, of the facts about the exporter, his banking references, whether he is already engaged in foreign trade, and for what period and to what extent, are some of the essentials which should be given in the first letter either to the Department or to a Trade Commissioner, particularly the latter. He also wants general data about the commodity which the exporter wishes to sell in that particular market, noting any special advantages pertaining to the line offered, particularly as compared with well-known articles of the same type from other countries. He also wants to know exactly what the manufacturer is himself willing to do to place his goods in the new field; the basis on which sales would be made to the importer or on which goods could be offered for sale by a recognized agent, and the commission that would be paid the latter; what would be required of an importing house or agent in order to obtain the agency for the line; whether the manufacturer would send consignment stock or samples and in what quantity; whether he is prepared to advertise or to co-operate in advertising and to what extent; the facilities possessed by the manufacturer for export shipment, and the kind of supervision that is exercised by him over the packing of goods destined for a distant market.

PRICES

Prices should never be quoted from an interior manufacturing point in Canada. Where quotations c.i.f. port of destination are not practicable, they should be given f.o.b. steamer, but it is strongly recommended that prices should be quoted c.i.f. This is a most important point, as the foreign buyer has no definite knowledge of the charges likely to be incurred if quotations are f.o.b. cars at point of shipment, and freight rates from some interior point in Canada to the seaboard are unobtainable in foreign countries. He has no means of knowing insurance rates, or the elements that enter into the fixing of the premiums. As a rule he is unable to obtain a quotation of an outward freight rate at an inward port, as the general practice of steamship companies is to refer a request for a freight rate from (say) Montreal to Auckland to the agent in the former city, although an approximate rate may be quoted. The foreign buyer is at a distinct disadvantage unless prices are quoted c.i.f.

DISCOUNTS

Discounts should be printed or typewritten, preferably on a folder or slip accompanying a descriptive catalogue. In submitting an illustrated descriptive catalogue to prospective customers the importer should not be placed in the position of having to disclose the exact terms on which the goods are offered to him.

GROSS AND NET WEIGHT

A knowledge of the gross and net weights per unit quoted is essential. Without these the prospective purchaser is unable to estimate laid down costs.

SUMMARY OF POINTS TO BE NOTED

The fullest possible information in regard to the commodity and complete details on the following points would greatly aid the Trade Commissioners in the intelligent handling of inquiries addressed to them as to the introduction and subsequent marketing of Canadian goods on behalf of exporters:—

1. Cable address, code used, and special code words not in the regular code books.
2. Bankers' references.
3. (a) The basis on which prices are quoted, whether c.i.f. main foreign ports; f.a.s. Canadian ports; or f.o.b. vessel.
(b) Are prices in Canadian or American funds?
(c) If prices are c.i.f. and transshipment has to be made, are such items as consular charges and disbursements at port of transshipment and/or unloading for account of buyer?
4. Are quotations firm, or subject to change without notice due to fluctuations in costs of raw material?
5. On what quantity basis are quotations made? Can prices be reduced on quantity orders, and if so how much?
6. Are orders subject to acceptance by exporter?
7. What brand do lines bear, and are these to be sold under this brand in foreign markets?
8. What is the nature of packing? Heavy wooden crates, boxes, new bags or burlap?
9. Are lines stocked and available for immediate shipment? If not, how long after receipt of order will goods go forward?
10. What are your terms? Is there a special discount for cash?
11. What is the gross and net weight in pounds? Measurement in cubic feet?

With the foregoing information on hand, supplemented by recent catalogues and descriptive literature, and, if not too bulky, samples—not necessarily a full range—Trade Commissioners are put in a position to give at short notice the best service to Canadian exporters and can either place them in communication with reliable importers or recommend suitable agents.

TARIFF CHANGES AND CUSTOMS REGULATIONS

United Kingdom

TARIFF CHANGES

The Additional Import Duties (No. 6) Order, 1938, of the United Kingdom, effective June 22, provides for a duty of 2s. per dozen or $33\frac{1}{3}$ per cent ad valorem, whichever rate would yield the greater amount of duty, on bell domes and bell gongs. Bell domes and bell gongs identifiable as parts of cycle bells were formerly dutiable at $33\frac{1}{3}$ per cent ad valorem and other bell domes and bell gongs at 20 per cent ad valorem.

The order also provides for minimum specific duties for the following parts and accessories of cycles (other than motor cycles): electric dynamo lighting sets, comprising dynamo and head lamp, with or without clips and wiring, and with or without rear lamp, 2s. 6d. per set; dynamos for lighting sets with or without clips and wiring and cases (or bodies) thereof, whether complete or not, 2s. each; and cycle bells, 3d. each. The existing ad valorem rate of $33\frac{1}{3}$ per cent will continue to operate where it would yield a greater amount of duty than the foregoing.

(The rates quoted above apply only to non-Empire products. Similar goods the produce of Canada or other part of the British Empire, provided they comply with Imperial preference regulations, are admissible duty-free.)

CERTIFICATE OF ORIGIN FORM 119

On account of a case being reported of a Canadian exporter having furnished an imperfect certificate of origin for vegetables exported to the United Kingdom, attention is called to the relevant United Kingdom Customs requirements. Fresh vegetables and fresh fruits such as apples require United Kingdom certificate of origin form 119. A revised text of this certificate was adopted in December, 1936, but in order to give exporters time to use up existing stocks of old forms, it has been compulsory only since April 1, 1938.

This new form requires the place of first consignment to be stated, while the older form did not. When the product is packed at some inland point and shipped to a port from which it is exported by a buyer, broker, or agent acting on behalf of the packers, the new form, when properly completed, shows the Customs the place of first consignment to the United Kingdom, the port from which shipped, and the United Kingdom port to which consigned.

When a number of producers are involved in a shipment, the column of the certificate headed "Name of Grower or Producer" should be completed by the insertion of the following words: "Various Growers in Canada." If an exporter uses only the words "Various Growers" or the name of a packing organization, there is no actual declaration of origin, and the document is therefore incomplete.

The 1936 text of certificate 119 may be obtained on application to the Department of Trade and Commerce, Ottawa, as well as a list of stationers from whom forms based on the new text may be purchased.

Cyprus

TARIFF ON FLOUR AND WHEAT

Mr. C. S. Burrill, of the Canadian Trade Commissioner's office, Cairo, advises that a Cyprus customs order, effective, June 2, increases the preferential tariff on flour of wheat, rye or maize, and crushed wheat and semolina from £1 per ton (2,240 pounds) to £2 per ton and the general tariff from £4 per ton to £5 per ton. The preferential tariff on wheat is unchanged at 1s. per 112 pounds, but the general tariff has been increased from 1s. 6d. to 2s. per 112 pounds.

Preferential tariff rates are applicable to Canada and other British Empire countries.

Chile—Great Britain

"MODUS VIVENDI" EXTENDED

Mr. S. G. MacDonald, Acting Canadian Trade Commissioner in Lima, reports that the *modus vivendi* between Great Britain and Chile, which has been in effect since February 9, 1938, and which provides for exchange of most-favoured-nation treatment between the two countries, was extended on May 30 until September 30, 1938. Provision is made in the extension for denunciation of the *modus vivendi* upon giving fifteen days' notice after August 1, 1938.

Honduras

CERTIFICATES OF ORIGIN

With reference to the notice in *Commercial Intelligence Journal* No. 1796 (July 2, 1938), page 34, regarding certificates of origin for Honduras, Mr. Gonzalo Carias, Consul General of Honduras in New York, advises that it will be in order for Canadian firms to obtain the consular blanks and certificates of origin at the consulate in New York, and also to have them certified there.

FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING JULY 11, 1938

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, July 11, 1938, and for the week ending Tuesday, July 5, 1938, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending July 5	Nominal Quotations in Montreal Week ending July 11	Official Bank Rate
Austria	Schilling	.1407	. . . . .	. . . . .	—
Belgium	Belga	.1001	\$.1707	\$.1704	3
Bulgaria	Lev	.0072	.0125	.0126	6
Czechoslovakia	Koruna	.0296	.0350	.0349	3
Denmark	Krone	.2680	.2226	.2217	4
Finland	Markka	.0252	.0221	.0220	4
France	Franc	.0392	.0280	.0278	2½
Germany	Reichsmark	.2382	.4055	.4048	4
Great Britain	Pound	4.8666	4.9850	4.9650	2
Greece	Drachma	.0130	.0092	.0091	6
Holland	Guilder	.4020	.5562	.5543	2
Hungary	Pengo	.1749	.2992	.2996	4
		Unofficial	.1991	.1990	—
Italy	Lira	.0526	.0530	.0530	4½
Yugoslavia	Dinar	.0176	.0235	.0235	5
Norway	Krone	.2680	.2506	.2495	3½
Poland	Zloty	.1122	.1897	.1896	4½
Portugal	Escudo	.0442	.0453	.0451	4-4½
Roumania	Leu	.0060	.0074	.0074	3½
Spain	Peseta	.1930	.0579	.0574	5
Sweden	Krona	.2680	.2571	.2560	2½
Switzerland	Franc	.1930	.2307	.2300	1½
United States	Dollar	1.0000	1.0075	1.0075	1
Mexico	Peso	.4985	.2046	.2009	3
Cuba	Peso	1.0000	1.0068	1.0068	—
Guadeloupe	Franc	.0392	.0280	.0278	—
Jamaica	Pound	4.8666	4.9950	4.9750	—
Martinique	Franc	.0392	.0280	.0278	—
Other British West Indies	Dollar	1.0138	1.0309	1.0267	—
Argentina	Peso (Paper)	.4245	.3327	.3312	3½
		Unofficial	.2625	.2614	—
Brazil	Milreis (Paper)	.1196	.0590	.0589	—
British Guiana	Dollar	1.0138	1.0309	1.0267	—
Chile	Peso	.1217	.0521	.0521	—
		Unofficial	.0403	.0403	—
Colombia	Peso	.9733	.5652	.5692	4
Peru	Sol	.2800	.2317	.2317	6
Venezuela	Bolivar	.1930	.3023	.3023	—
Uruguay	Peso	1.0342	.6513	.6508	—
South Africa	Pound	4.8666	4.9800	4.9591	3½
Egypt	Pound (100 Piastres)	4.9431	5.1075	5.0880	—
China (Shanghai)	Dollar	. . . . .	.1845	.0521	—
Hongkong	Dollar	. . . . .	.3110	.3098	—
India	Rupee	.3650	.3717	.3701	3
Japan	Yen	.4985	.2907	.2893	3.20
Java	Guilder	.4020	.5576	.5555	—
Siam	Baht (Tical)	.4424	.4534	.4554	—
Straits Settlements	Dollar	.5678	.5820	.5790	—
Australia	Pound	4.8666	3.9887	3.9725	3
New Zealand	Pound	4.8666	4.0200	4.0037	2

The Dominion Bureau of Statistics has supplied the following note:—

Recent declines in sterling have attracted considerable attention. At \$4.9653 on July 11, the Montreal sterling rate was down 3½ cents within the week and had reached its lowest level since the beginning of last November. Reasons advanced for this movement were the less favourable trade balance of the United Kingdom, movement of capital to the United States, and the covering or short positions created at the time of recent devaluation rumours. The premium on New York funds showed a net decline of $\frac{1}{10}$ to $\frac{3}{8}$ of 1 per cent from July 4 to 11, and the Canadian dollar was generally firm in terms of other currencies.

TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

Secretary, Board of Trade—

Saint John, N.B.
Halifax, N.S.
Quebec, P.Q.
Montreal, P.Q.
Toronto, Ont.
Chatham, Ont.

Brantford, Ont.
Kitchener, Ont.
Stratford, Ont.
Woodstock, Ont.
St. Mary's, Ont.
Portage la Prairie, Man.

St. Boniface, Man.
Winnipeg, Man.
Vancouver, B.C.
New Westminster, B.C.

Secretary, Chamber of Commerce—

Sherbrooke, P.Q.
Kingston, Ont.
Oshawa, Ont.

Belleville, Ont.
Peterborough, Ont.
London, Ont.

Hamilton, Ont.
Victoria, B.C.
Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

Secretary, Canadian Manufacturers Association—

Toronto, Ont.
Montreal, P.Q.

Winnipeg, Man.
Edmonton, Alta.

Vancouver, B.C.
Victoria, B.C.

Director, Trade Extension, Victoria, B.C.

Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.

Commodity	No.	Location of Inquirer	Purchase or Agency
Foodstuffs—			
Tomato Juice.....	403	Wellington, New Zealand..	Agency.
Canned Fruits and Vegetables...	404	Cardiff, Wales.....	Agency.
Confectionery.....	405	London, England.....	Purchase.
Dried Peas.....	406	Dublin, Ireland.....	Purchase.
Miscellaneous—			
Toilet Articles.....	407	Nicosia, Cyprus.....	Purchase or Agency.
Silk Hosiery.....	408	Nicosia, Cyprus.....	Purchase or Agency.
Leather Gloves (Workmen's)...	409	Brussels, Belgium.....	Purchase.
Asbestos Clothing.....	410	Brussels, Belgium.....	Purchase.
Wadding, Grey Cotton.....	411	Auckland, New Zealand...	Purchase.
Wood Wool.....	412	Auckland, New Zealand...	Purchase.
Paperboard, Grey.....	413	Johannesburg, South Africa.....	Agency.
Rubber Heels and Soles.....	414	Shanghai, China.....	Agency.
Toy Sailboats.....	415	Brussels, Belgium.....	Purchase.
Douglas Fir Timber.....	416	Nicosia, Cyprus.....	Agency.
Scale Model Trains, also Parts (not Electric).....	417	Auckland, New Zealand...	Purchase or Agency.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Montreal

To Liverpool.—Montclare, July 23; Duchess of York, July 29; Duchess of Richmond, Aug. 5; Duchess of Bedford, Aug. 10; Montrose, Aug. 16—all Canadian Pacific; Antonia, July 29; Andania, Aug. 12—both Cunard-White Star Line.

To London.—Beaverhill, July 22; Beaverburn, July 29; Beaverville, Aug. 5; Beaverford, Aug. 12; Beaverbrae, Aug. 19—all Canadian Pacific; Aurania, July 22; Ascania, July 29; Ausonia, Aug. 5; Alaunia, Aug. 12—all Cunard-White Star Line; Ornefjell, July 27; Carmelfjell, Aug. 10; Tindefjell, Aug. 24—all Fjell Line.

To Manchester.—Manchester City, July 21; Manchester Citizen, July 28; Manchester Regiment, Aug. 4; Manchester Division, Aug. 11; Manchester Port, Aug. 18—all Manchester Line.

To Southampton.—Duchess of Richmond, Canadian Pacific, Aug. 24.

To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.—Dorelian, July 23; Dakotian, Aug. 12—both Cunard-Donaldson and Dominion Lines; Bristol City, Aug. 3; New York City, Aug. 22—both Bristol City and Dominion Lines.

To Glasgow.—Athenia, July 25; Delilian, July 29; Letitia, Aug. 5; Sulairia, Aug. 12—all Donaldson-Atlantic Line.

To Newcastle and Leith.—Cairnvalona (also calls at Dundee), July 20; Cairnglen, July 27; Cairnesk, Aug. 10; Cairmona (also calls at Dundee), Aug. 17—all Cairn-Thomson Line.

To Aberdeen and Hull.—Consuelo, Ellerman's Wilson Line, Aug. 1.

To Belfast and Dublin.—Melmore Head (does not call at Belfast), July 22; Torr Head (does not call at Dublin), July 30; Fanad Head, Aug. 9—all Head Line (cargo accepted for Cork and Londonderry).

To Hamburg and Bremen.—Beaverville, Canadian Pacific, Aug. 5 (does not call at Bremen); Bochum, Hamburg-American Line, July 29.

To Gothenburg, Stockholm and Helsingfors.—Braheholm, July 29; Lagaholm, Aug. 16—both Swedish-America-Mexico Line.

To Norwegian Ports.—A steamer, Norwegian-American Line, Aug. 6.

To Antwerp and Havre.—Beaverhill, July 22; Beaverburn, July 29; Beaverford, Aug. 12; Beaverbrae, Aug. 19—all Canadian Pacific (do not call at Havre); Hada County, July 26; Brant County, Aug. 7; August, Aug. 30—all County Line; Ornefjell, July 27; Carmelfjell, Aug. 10; Tindefjell, Aug. 24—all Fjell Line (do not call at Havre).

To Rotterdam.—Hada County, July 26; Lista (also calls at Dunkirk), Aug. 7; Grey County, Aug. 21—all County Line; Ornefjell, July 27; Carmelfjell, Aug. 10; Tindefjell, Aug. 24—all Fjell Line.

To Marseilles, Genoa, Leghorn, Naples, Messina, Palermo, Gibraltar and Lisbon.—Capo Olmo, July 19; Capo Noli, Aug. 8; Capo Lena, Aug. 27—all Capo Line (will also call at Cadix and/or Seville and/or Casablanca if sufficient cargo offers).

To St. John's, Nfld.—Anna, July 25; Bencas, Aug. 11—both Shaw SS. Co. Ltd. (also call at Harbour Grace, Bay Roberts, Carbonear and Port Union; will touch at Newfoundland south coast ports as cargo offerings warrant); Belle Isle, Newfoundland-Canada SS. Ltd., July 29 and Aug. 12 (also calls at St. Pierre-Miquelon).

To Cornerbrook, Nfld.—New Northland, July 18, Aug. 1; Gaspesia, July 27 and Aug. 10—both Clarke SS. Co.

To Puerto Rico, Barbados, Trinidad and Demerara.—Cornwallis, July 21; Chomedy, Aug. 4; Colborne, Aug. 18—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To Hamilton, Nassau, Kingston and Belize.—Lady Somers, July 20; Cathcart (calls at Kingston only), July 29; Lady Rodney, Aug. 3; Cavalier (calls at Kingston only), Aug. 12—all Canadian National.

To Bermuda, St. Kitts, Antigua, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lundby, July 29; a steamer, Aug. 12—both Ocean Dominion SS. Corp. (call at Guadeloupe and Martinique if sufficient cargo offered).

To Buenos Aires.—Tureby, International Freighting Corp., July 23 (calls at Santos, will also call at Rio de Janeiro if sufficient cargo offered).

To Brisbane, Sydney, Melbourne and Adelaide.—Port Montreal, July 30; Kaikoura, Sept. 3—both Montreal Australia New Zealand Line (will also call at Geelong).

To Auckland, Wellington, Lyttelton and Dunedin.—City of Pittsburg (also calls at Timaru and Napier), July 21; City of Glasgow, Aug. 30—both Montreal Australia New Zealand Line.

To Cape Town, Port Elizabeth, East London and Durban.—Calgary, July 25; Mattawin, Aug. 27—both Elder Dempster Lines Ltd. (also call at Freetown, Lourenco Marques and Beira).

To Straits Settlements and Dutch East Indies Ports.—Tabinta, Blue Funnel Line, Aug. 6.

To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Madras, Rangoon, Calcutta and Singapore.—City of Birmingham, July 20; City of Rangoon, Aug. 1—both Canada-India Service.

From Quebec

To Southampton.—Empress of Australia, July 19 and Aug. 4; Empress of Britain, July 30 and Aug. 13—both Canadian Pacific.

From Halifax

To Liverpool.—Nova Scotia, July 30; Newfoundland, Aug. 16—both Furness Line.

To St. John's, Nfld.—Fort Townshend, July 18 and Aug. 1; Fort Amherst, July 25 and Aug. 8—both Furness-Red Cross Line (also call at St. Pierre); Portia, Newfoundland Rys. and SS. Co., July 20, Aug. 3 and 17; Magnhild (also calls at St. Pierre and Newfoundland outports), Newfoundland-Canada SS. Ltd., July 25, Aug. 8 and 22; Nova Scotia, July 30; Newfoundland, Aug. 16—both Furness Line.

To Kingston, Jamaica.—Cavalier, July 18; Cathcart, Aug. 1—both Canadian National.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Nelson, July 28; Lady Hawkins, Aug. 11; Lady Drake, Aug. 25—all Canadian National; Ary Lensen, July 20; Lundby, Aug. 3—both Ocean Dominion SS. Corp. (call at Guadeloupe and Martinique if sufficient cargo offered, but not at Nevis or Montserrat).

To Puerto Rico, Barbados, Trinidad and Demerara.—Cornwallis, July 25; Chomedy, Aug. 8; Colborne, Aug. 22—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To Santiago (Cuba) and Kingston (Jamaica).—Kirsten B., July 27; Lutz, Aug. 10—both Pickford & Black Ltd. (also call at Jamaican outports as cargo offers).

To Far East Ports.—Siamese Prince, July 22; Cingalese Prince, Aug. 21—both Furness-Prince Line; Silverash, Silver Line, Aug. 7.

From Saint John

To Liverpool and Manchester.—Manchester Exporter, July 26; Manchester Producer, Aug. 16—both Manchester Line.

To London, Newcastle, Aberdeen and Hull.—Kyno, Ellerman's Wilson Line, Aug. 12; Macharda, Cunard-White Star Line, July 28 (calls at London only).

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Nelson, July 20; Lady Hawkins, Aug. 3; Lady Drake, Aug. 17—all Canadian National.

To Kingston and Jamaican Outports.—Harboe Jensen, July 22 and Aug. 5; Crawford Ellis, July 29 and Aug. 12—both United Fruit Co. (cargo accepted for Caribbean, Central and South American ports with transshipment at Kingston).

From Vancouver

To Yokohama, Kobe and Osaka.—Heian Maru, July 23; Hikawa Maru, Aug. 13; Hiye Maru, Aug. 27—all Nippon Yusen Kaisha.

To Yokohama, Kobe, Shanghai, Hongkong and Manila.—Empress of Canada (calls Honolulu), July 22; Empress of Russia (calls Nagasaki), Aug. 6; Empress of Japan (calls Honolulu), Aug. 20; Empress of Asia (calls Nagasaki), Sept. 3—all Canadian Pacific.

To Honolulu, Suva, Auckland and Sydney.—Aorangi, Aug. 2; a steamer, September—both Canadian-Australasian Line.

To Manila, Iloilo, Cebu, Soerabaya, Samarang, Batavia, Colombo and Bombay.—Hoegh Silverstar (calls at Saigon, Singapore and Persian Gulf ports, also at Port Swettenham and Belawan Deli if cargo offers), Aug. 1; Talisse (calls at Belawan Deli, also at Singapore and Port Swettenham if cargo offers), Aug. 22; Djambi (calls at Saigon, Singapore and Persian Gulf ports, also at Port Swettenham and Belawan Deli if cargo offers), Sept. 1—all Silver-Java Pacific Line.

To Papeete, Auckland, Wellington, Lyttelton, Dunedin, Melbourne and Sydney.—Clydebank, Aug. 5; a steamer, September—both Canadian-Australasian Line.

To Brisbane, Sydney, Melbourne and Adelaide.—Parrakoola, Aug. 15; Boren, Sept. 15—both Empire Shipping Co., Ltd.

To London, Plymouth, Hull and Swedish Ports.—Annie Johnson, July 30; Canada (calls at Hawaii), Aug. 14; San Francisco, Sept. 3—all Johnson Line.

To London, Liverpool and Rotterdam.—Narenta (calls Glasgow), July 23; Nebraska, Aug. 6; Delftdyk (calls Glasgow), Aug. 20; Drechtdyk, Sept. 3—all North Pacific Coast Line.

To Antwerp, Hamburg and Bremen.—Oakland, Aug. 12; Seattle, Aug. 29—both Hamburg-American Line; Weser, July 28; Este, Sept. 2—both North German Lloyd Line.

To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.—San Francisco, Aug. 3; San Antonio, Aug. 19; San Pedro, Sept. 3—all Empire Shipping Co. Ltd.

To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.—Cellina, Aug. 12; Leme, Sept. 10—both Empire Shipping Co. Ltd.

To Port of Spain (Trinidad) and Bridgetown (Barbados).—A steamer, Canadian Transport Co., August.

To Cape Town, Port Elizabeth, East London, Durban and Lourenco Marques.—Silverbelle, Aug. 5; Manoerau, Sept. 6—both Silver-Java Pacific Line (call at Beira and Calcutta, will also call at Colombo and Madras if sufficient cargo offers); Hopecrown, North Pacific Shipping Co. Ltd., July 31 (calls at Beira but not at East London).

To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.—Brandanger, July 25; Hardanger, Aug. 25—both Empire Shipping Co. Ltd. (will call at West Coast ports if sufficient cargo offered).

Note.—Firms who desire information concerning ocean and mail services may have their names placed on the mailing list of the Post Office Weekly Bulletin by applying to the Post Office Department.

**CONDENSED LIST OF PUBLICATIONS ISSUED BY THE DEPARTMENT
OF TRADE AND COMMERCE**

Applications for publications in this list, together with remittances therefor, should be addressed to the King's Printer, Government Printing Bureau, Ottawa, marked "Attention Chief Clerk of Distribution."

GENERAL

Annual Report of the Department of Trade and Commerce.—A review of the salient features of Canada's export and import trade and a summary of the activities of each of its Branches, including the Commercial Intelligence Service; Foreign Tariffs Division; Dominion Bureau of Statistics; Board of Grain Commissioners; Weights and Measures Inspection Service; Electricity and Gas Inspection Services; Publicity; Government Motion Picture Bureau; Exhibition Commission; Steamship Subsidies; Precious Metals Marking Inspection; also a statement of Revenue and Expenditure. (Price 25 cents.)

Annual Report of the Board of Grain Commissioners.—The administration of the Canada Grain Act during the calendar year, including reports of such officers as the Registrar, Chief Inspector, Chief Weighmaster and General Manager of the Canadian Government Elevators, prepared in accordance with Section 23 of the Act. (Price 25 cents.)

Annual Report of Electricity and Gas Inspection Services.—A summary of the work of these services with statistics of revenue and expenditure, as also statement showing meters, electrical energy generated for export, and lists of companies registered under the Electricity Inspection Act. (Price 25 cents.)

Annual Report of Dominion Grain Research Laboratory.—Details of investigations carried out in the Laboratory relating to qualities of Canadian wheat; also investigations on inquiries to further the sale of Canadian wheat and flour; milling and baking characteristics of the last crop; various forms of co-operation with Universities, Experimental Farms and other Government institutions, producers, milling and grain organizations in Canada and abroad; investigations relating to grading system, etc. (Price 10 cents.)

Catalogue of Motion Pictures.—List of all films available in the Government Motion Picture Bureau, with title and brief description. It is in loose leaf form, in order that revision may be made from year to year. (Price 25 cents.)

List of Grain Elevators.—Details of all Grain Elevators in Western and Eastern Divisions, also licensed grain commission merchants, track buyers of grain and grain dealers, and summary of grain loading platforms in Western Division. (Price 50 cents.)

PUBLICATIONS OF THE COMMERCIAL INTELLIGENCE SERVICE

Commercial Intelligence Journal.—Published weekly in English and French, containing reports of Trade Commissioners and other commercial information. The annual subscription in Canada is \$1 and outside Canada, \$3.50.

Publications of the Commercial Intelligence Service are compiled with a view to furnishing Canadian exporters with information respecting the possibilities for the sale of Canadian goods abroad, the nature of the competition to be encountered, Customs requirements, etc., and are not intended for general distribution. The publications available include leaflets giving Invoice Requirements and a series on Points for Exporters, both covering countries included in the territories assigned to Trade Commissioners.

From time to time special reports are issued separately, which subscribers to the Commercial Intelligence Journal are entitled to receive free of charge. In all other cases their distribution is controlled by the King's Printer, who fixes a price therefor.

PUBLICATIONS OF THE DOMINION BUREAU OF STATISTICS

The following is an abbreviated list of publications of the Dominion Bureau of Statistics:—

Census of Canada.

Miscellaneous Statistics respecting the following: Business; Education; Employment; Finance (Provincial and Municipal); Justice; Transportation, including railways and tramways, express, telegraphs, telephones, water, etc.; Production, including agriculture, furs, fisheries, forestry, mining, construction and manufactures; Vital: births, deaths, marriages, divorces.

Canada, 1937. (Price 25 cents.)

Canada Year Book. (Price \$1.50.)

Report of the Dominion Statistician, Annual. (Price 10 cents.)

Trade (External), (Imports and Exports)—Annual Reports: Fiscal Year (price \$3), Calendar Year (price 50 cents); Quarterly Report (price \$2 per annum); Monthly Report (price \$1 per annum).

Trade (Internal), Prices, cost of living, capital movements, etc. (Price 50 cents.)

Monthly Review of Business Statistics. (Price \$1 per annum.)

COMMERCIAL INTELLIGENCE SERVICE

L. D. WILGRESS, *Director*

CANADIAN GOVERNMENT TRADE COMMISSIONERS

Argentina

J. A. STRONG, B. Mitre 430, Buenos Aires (1). (Territory includes Uruguay.) *Cable address, Canadian.*

Australia

Sydney: L. M. COSGRAVE. Address for letters—P.O. Box No. 3952V. Office—City Mutual Life Building, Hunter and Bligh streets. (Territory includes Federal District of Canberra, New South Wales, Queensland, Northern Territory and Dependencies.) *Cable address, Canadian.*

Melbourne: FREDERICK PALMER. Address for letters—Box 196C, G.P.O. Office—Safe Deposit Office Building. (Territory includes States of Victoria, South Australia, Western Australia, and Tasmania.) *Cable address, Canadian.*

Belgium

YVES LAMONTAGNE, Shell Building, 60 Ravenstein Street, Brussels. *Cable address, Canadian.*

Brazil

L. S. GLASS. Address for letters—Caixa Postal 2164, Rio de Janeiro. Office—Ed. Da. "A. Noite," Sala 802, Praca Maua. *Cable address, Canadian.*

British India

PAUL SYKES. Address for letters—P.O. Box 2003, Calcutta. Office—23 Esplanade Mansions, Government Place East, Calcutta. (Territory includes Burma and Ceylon.) *Cable address, Canadian.*

British Malaya

B. C. BUTLER, Union Building, Singapore, Straits Settlements. (Territory includes the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India.) *Cable address, Canadian.*

British West Indies

Trinidad: M. B. PALMER. Address for letters—P.O. Box 125, Port of Spain. Office—Barclay's Bank Building. (Territory includes Barbados, Windward and Leeward Islands, and British Guiana.) *Cable address, Canadian.*

Jamaica: F. W. FRASER, P.O. Box 225, Kingston. Office—Canadian Bank of Commerce Chambers. (Territory includes Haiti, the Bahamas, and British Honduras.) *Cable address, Canadian.*

China

H. A. SCOTT. Address for letters—P.O. Box 264, Shanghai. Office—Ewo Building, 27 The Bund, Shanghai. (Territory includes Central China and North China.) *Cable address, Canadian.*

Cuba

C. S. BISSETT. Address for letters—Apartado 1945, Havana. Office—Royal Bank of Canada Building, Calle Aguiar 75, Havana. (Territory includes Dominican Republic and Puerto Rico.) *Cable address, Canadian.*

Egypt

HENRI TURCOT. Address for letters—P.O. Box 1770, Cairo. Office—22 Shari Kasr el Nil, Cairo. (Territory includes the Sudan, Palestine, Cyprus, Iraq, Syria, Iran, Greece, Turkey, Bulgaria, and Roumania.) *Cable address, Canadian.*

France

HERCULE BARRÉ, Commercial Attaché, 3 rue Scribe, Paris (9). (Territory includes French Colonies in North Africa.) *Cable address, Cancomac.*

Germany

J. C. MACGILLIVRAY, Bendlerstrasse 38, Berlin W.35. (Territory includes Czechoslovakia, and Poland.) *Cable address, Cantramoc.*

Hongkong

V. E. DUCLOS. Address for letters—P.O. Box 80, Hongkong. Office—Gloucester Building, Hongkong. (Territory includes South China, the Philippines, and Indo-China.) *Cable address, Canadian.*

Ireland

JAMES CORMACK, 66 Upper O'Connell Street, Dublin, Ireland (*cable address, Canadian*); and 36 Victoria Square, Belfast, Northern Ireland.

CANADIAN GOVERNMENT TRADE COMMISSIONERS—*Con.*

Italy

A. B. MUDDIMAN, Via Manzoni Nr. 5, Milan (102). (Territory includes Spain, Portugal, Gibraltar, Malta, Albania, and Yugoslavia.) *Cable address, Canadian.*

Japan

Tokyo: C. M. CROFT, Commercial Secretary. Address for letters—P.O. Box 18, Akasaka Post Office, Tokyo. Office—Canadian Legation, 16 Omotecho, 3-chome, Akasakaku, Tokyo. *Cable address, Canadian.*

Kobe: P. V. McLANE. Address for letters—P.O. Box 230, Kobe. Office—309 Crescent Building, 72 Kyomachi, Kobe. *Cable address, Canadian.*

Mexico

R. T. YOUNG. Address for letters—Apartado Num. 126-Bis, Mexico City. Office—Edificio Banco de Londres y Mexico, Num. 30, Mexico City. (Territory includes Guatemala, Honduras, and Salvador.) *Cable address, Canadian.*

Netherlands

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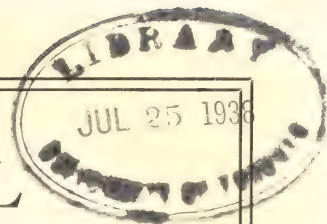
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Note.—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.

COMMERCIAL INTELLIGENCE JOURNAL



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Ottawa, July 23, 1938

No. 1799



Laying Pavement Blocks of Canadian Douglas Fir, Trafalgar
Square, London

ISSUED BY AUTHORITY OF
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE
JAMES G. PARMELEE, DEPUTY MINISTER

CONTENTS

	Page
Trade Commissioners on Tour	113
Canada's Domestic Exports to the United States of Principal Products affected by the Canada-United States Trade Agreement: June and Six Months ended June, 1937 and 1938	114
Anglo-German Payments Agreement	118
Trinidad Market for Oilfield Supplies	118
Australian Trade with Canada, 1936-37: II. Imports of Stones and Minerals; Metals, Metal Manu- factures; and Machinery	120
Trade of Tanganyika Territory	125
Economic Conditions in Brazil in 1937.....	127
Italian Foreign Trade, January to May.....	134
Japan's Foreign Trade, January to March	135
Tariff Changes and Customs Regulations	142
Tenders Invited: New Zealand	146
Foreign Exchange Quotations	147
Trade Inquiries for Canadian Products	148
Proposed Sailings from Canadian Ports	148
Commercial Intelligence Service	151

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Vol. LIX

Ottawa, July 23, 1938

No. 1799

TRADE COMMISSIONERS ON TOUR

Mr. Yves Lamontagne, Canadian Trade Commissioner at Brussels, Belgium; Mr. A. B. Muddiman, Canadian Trade Commissioner at Milan, Italy (whose territory includes Spain, Portugal, Gibraltar, Malta, Albania, and Yugoslavia); Mr. M. J. Vechsler, Canadian Trade Commissioner at Lima, Peru (whose territory includes Bolivia, Ecuador, and Chile); Mr. H. A. Scott, Canadian Trade Commissioner at Shanghai (whose territory includes Central and North China); and Mr. W. J. Riddiford, Canadian Trade Commissioner at Panama City (whose territory includes the Canal Zone, Venezuela, Colombia, Nicaragua, and Costa Rica), are visiting the principal industrial centres of Canada in the interest of Canadian trade with their respective territories. Their itineraries are as follows:—

Mr. Lamontagne

Ottawa	July 28 to 30	Winnipeg.. . . .	Aug. 12
Vancouver	Aug. 4 to 10		

Mr. Muddiman

Vancouver	July 25 to 28	Saint John	Aug. 11 and 12
Quebec	Aug. 4 to 6	Montreal.. . . .	Aug. 13 to 23
Halifax	Aug. 8 and 9	Ottawa	Aug. 24 and 25

Mr. Vechsler

Stratford.. . . .	July 25	Vancouver	Aug. 10 to 24
Kitchener	July 26 to 28	Kelowna	Aug. 26
Oakville	July 29	Edmonton.. . . .	Aug. 31
Ottawa.. . . .	Aug. 2	Toronto	Sept. 6 to 20
Winnipeg.. . . .	Aug. 4	Ottawa.. . . .	Sept. 23

Mr. Scott

Granby	Aug. 1	Saint John	Aug. 5
St. Hyacinthe	Aug. 2	Halifax	Aug. 8

Mr. Riddiford

Vancouver	July 25 to 27	Ottawa.. . . .	Aug. 2 and 3
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Firms who wish to be brought in touch with the Trade Commissioners should communicate: for Winnipeg, Edmonton, and Vancouver, with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other centres, with the respective Board of Trade or Chamber of Commerce.

**CANADA'S DOMESTIC EXPORTS TO THE UNITED STATES OF PRINCIPAL COMMODITIES AFFECTED BY THE CANADA-UNITED STATES TRADE AGREEMENT
EFFECTIVE FROM JANUARY 1, 1936; ALSO UNITED STATES TARIFF RATES IN FORCE. (MONTH OF JUNE, AND THE SIX MONTHS ENDED
JUNE 30, 1937 AND 1938)**

(COMPILED BY THE EXTERNAL TRADE BRANCH, DOMINION BUREAU OF STATISTICS; AND THE FOREIGN TARIFFS DIVISION)

Commodities	Month of June				Six months ended June				United States Tariff	
	1937		1938		1937		1938		1935	Canada-United States Trade Agreement (Jan. 1, 1936)
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value		
AGRICULTURAL AND VEGETABLE PRODUCTS										
Fruits—										
Apples, green or ripe.....										15c. per bu. 50 lbs.
Strawberries, fresh.....	243,859	14,926	88,871	7,525	672	3,163	215	847	25c. per bu. 50 lbs.	4c. per lb.
Grain products—										
Bran, shorts and middlings.....	210,252	313,346	102	279	1,268,618	1,944,611	2,995	6,420	10% ad val.	10% ad val.
Cereal foods, prepared, all kinds.....	36,103	4,466	64,558	5,041	414,398	34,651	270,980	42,569	30% ad val.	15% ad val.
Screenings.....	8,737	58,865	269	1,934	128,519	868,488	12,112	76,931	10% ad val.	10% ad val.
Hay.....	193,707	33,976	658,964	106,281	615,594	89,228	3,217,513	90,549	85 per ton (2,000 lbs.)	83 per ton (2,000 lbs.)
Maple sugar.....										
Dk.....										551,386 8c. per lb.
Seeds—										
Clover seed, alfalfa.....	94	1,354	3	55	21,225	291,621	17,856	292,055	8c. per lb.	4c. per lb.
Clover seed, alsike.....	117	1,098			15,342	157,476	2,037	22,947	8c. per lb.	4c. per lb.
Grass seed.....	3,631	5,953	371	816	35,759	93,382	44,767	93,475	2c. per lb.	1c. per lb. (mainly timothy).
Vegetables—										
Certified seed potatoes.....	5,624	4,601	12,891	5,206	311,065	330,494	185,625	98,163	75c. per 100 lbs.	45c. per 100 lbs., Mar. 1 to Nov. 30, if certified seed; 60c. per 100 lbs., Dec. 1 to last day of Feb., if certified seed; 75c. per 100 lbs. on imports of certified seed in excess of 750,000 bu. during each twelve-month period, beginning Dec. 1, in any year.
Potatoes, n.o.p.....	17,746	13,020	1,498	611	325,350	236,916	118,205	53,284	75c. per 100 lbs.	75c. per 100 lbs.
Turnips.....	1,610	402	1,820	1,207	1,046,017	335,902	1,019,915	374,262	25c. per 100 lbs.	12c. per 100 lbs.
Whiskey.....	347,963	1,332,032	189,520	727,179	2,359,505	8,936,546	1,183,641	4,724,381	\$5 per pt. gal.	\$2.50 per pt. gal. if aged in wooden containers for at least four years; \$5 per pt. gal. if otherwise.
ANIMALS AND ANIMAL PRODUCTS										
Animals, living—										
Dairy cattle, n.o.p.—										
Weighing 175 to 700 lbs.....	8	372	10	357	92	3,557	36	1,430	23c. per lb. 175 to 700 lbs.	23c. per lb., 175 to 700 lbs.
Weighing over 700 lbs.....	548	32,111	557	34,184	2,968	176,786	2,774	179,477	3c. per lb. if over 700 lbs.	1c. per lb. if over 700 lbs. on imports in excess of 20,000 head during any calendar year.

Cattle, n.o.p.— Weighing less than 175 lbs.	14,922	201,249	5,721	82,580	57,396	836,139	28,973	415,342 2½c. per lb., if less than 175 lbs. 14c. per lb., if less than 2½c. per lb., if less than 175 lbs., on imports in excess of 51,933 head during any calendar year.
Weighting 175 to 700 lbs.	464	13,836	533	18,659	1,318	35,662	874	28,512 2½c. per lb., if 175 to 700 lbs., if 175 to 700 lbs.
Weighting over 700 lbs.	11,110	892,671	1,824	93,433	85,565	5,825,105	22,484	1,288,906 3c. per lb., if over 700 lbs., if over 700 lbs.
Horses, n.o.p.	645	90,174	388	53,218	7,297	948,780	4,009	511,223 \$30 per head, if valued at not more than \$150; 50% ad val., if valued more than \$150.
Poultry, n.o.p.	70,372	34,271	24,082	11,892	272,538	150,984	195,574	135,541 8c. per lb., if chickens, ducks, geese, turkeys, and guineas.
Fish, fresh and frozen—								
Clams, fresh	1,509	4,547	1,499	4,078	35,223	39,008	21,072	23,074 Free.
Eels, fresh and frozen	248	1,034	234	1,138	964	5,032	703	4,307 1c. per lb.
Halibut, fresh and frozen	6,723	57,157	4,538	38,291	23,702	216,075	31,907	324,871 2c. per lb.
Herring, sea, fresh and frozen	40,279	27,955	2,846	1,834	59,190	63,919	10,947	18,445 Free.
Salmon or lake trout, fresh and frozen	4,110	45,462	3,706	43,981	13,428	147,150	13,793	157,033 1c. per lb.
Lobsters, fresh	26,182	517,515	33,594	325,976	73,285	1,603,902	71,699	1,309,948 Free.
Oysters, fresh	19	161	2	14	111	906	3,007	1,959 Free.
Salmon, fresh and frozen	7,978	96,401	6,653	88,637	21,804	212,103	17,821	188,783 1c. per lb.
Smelts, fresh and frozen	12	110	10	80	59,241	342,425	41,761	401,296 Free.
Swordfish, fresh and frozen			37	1,036	641	4,499	46	1,106 2c. per lb., if not frozen.
Tullibee, fresh and frozen	437	3,706	11	52	4,406	32,158	7,759	62,759 1c. per lb.
Whittfish, fresh and frozen	7,959	110,749	9,655	118,050	69,377	767,852	69,468	890,735 1c. per lb.
Fish, pickled, salted, and smoked—								
Alwives, salted			500	939	15	44	542	1,129 1½c. per lb., net weight.
Herring, sea smoked	133	1,277	243	2,284	4,011	19,128	5,086	22,949 1c. lb., if boned; 1½c. per lb., not boned.
Salmon, pickled			628	10,324	2	15	1,254	19,154 2½c. ad val., 20% ad val.
Fish, canned—								
Clams, canned	26	100			21	106	118	1,372 29% ad val., if razor clams; 35% ad val., if other kinds.
Lobsters, canned			1,053	53,109	1,876	108,265	2,108	111,044 Free.
Fur skins, undressed—								
Beaver			4,770	50,176	21,987	354,454	17,537	203,183 Free.
Mink			5,879	37,466	15,134	841,088	70,132	722,252 Free.
Muskat			7,314	6,375	128,878	159,134	89,385	84,872 Free.
Wolf			286	4,096	26,055	326,817	13,750	133,282 Free.
Leather—								
Harness leather						1,855		984 12½% ad val.
Patent leather				32		45,991		5 412 15% ad val.

Timber, square, softwood.....	M ft.	218	6,408	40	565	987	24,280	506	10,238	\$1 per M ft. b.m., if fir, spruce, pine, hemlock or larch; 50c. per M ft. b.m., if fir, spruce, pine, hemlock, free, if other kinds.
Timber, square, hardwood.....	M ft.	4	3,024, 610	80	1,505, 880	7,534, 801	254	4	222	Free.
Wood, pulp.....	Cwt.	1,271, 812	667, 368	.....	2,969, 326	16,805, 727	.....	3,840, 416	9,362, 848	Free.
Paper—Newsprint.....	Cwt.	4,848, 503	8,948, 731	.....	6,016, 248	27,246, 049	49,505, 927	17,441, 412	37,676, 250	Free.
IRON AND ITS PRODUCTS										
Farm implements—										
Cultivators.....	No.	12	482	34	2,696	357	15,077	408	21,432	Free.
Drills.....	No.	4	387	4	500	336	36,935	444	59,201	Free.
Harrows and parts.....	No.	.....	7,010	.....	2,787	.....	64,598	.....	27,656	Free.
Harvesters and binders.....	No.	509	94,931	127	25,716	1,147	214,418	796	176,703	Free.
Hay rakes.....	No.	41	1,554	63	4,142	130	4,448	.....	7,027	Free.
Mowers and reapers.....	No.	55	3,370	81	5,478	180	10,000	258	17,495	Free.
Ploughs and parts.....	No.	.....	54,837	.....	19,326	.....	382,250	.....	202,275	Free.
Reaper threshers.....	No.	71	57,830	196	146,909	285	214,537	900	713,203	Free.
Parts of farm implements, n.o.p.....	No.	.....	72,321	.....	30,866	.....	332,271	.....	258,078	Free.
Ferro-silicon.....	Ton	1,278	27,004	369	9,863	6,785	131,197	3,206	82,969	2c. per lb. on silicon content; 1c. per lb. (on silicon content) when containing 8% or more but not less than 30% of silicon.
FERRO-MANGANESE AND OTHER FERRO-ALLOYS										
Ferro-manganese and other ferro-alloys, Ton n.o.p.....	Ton	4,157	192,657	572	18,015	11,944	529,855	4,876	179,623	1c. per lb. on manganese content; 1c. per lb. (on manganese content) when containing not less than 4% of carbon.
Skates.....	Pair	5,058	4,618	5,334	6,523	50,023	30,521	40,778	26,358	20% ad val.
NON-FERROUS METALS AND PRODUCTS										
Cobalt in ore.....	Cwt.	.....	.....	.....	.....	235	15,026	56	2,231	Free.
Cobalt metallic.....	Lb.	21,790	392,399	7,812	140,016	72,239	1,299,640	20,151	29,104	Free.
Nickel in matte or speiss.....	Cwt.	.....	36,187	16	340	13,342	238,167	38,253	688,454	Free.
Nickel in oxide.....	Cwt.	1,896	.....	.....	.....	.....	.....	1,088	21,757	Free.
NON-METALLIC MINERALS AND PRODUCTS										
Abrasive, artificial, crude.....	Cwt.	167,497	485,827	79,153	232,333	1,013,743	2,608,801	594,120	1,704,337	Free.
Asbestos.....	Ton	6,599	308,490	2,871	177,238	44,737	2,426,270	25,765	1,399,561	Free.
Asbestos sand and waste.....	Ton	15,339	292,851	9,239	171,375	95,194	1,690,391	45,632	799,944	Free.
Feldspar and nepheline.....	Ton	2,315	17,514	3,592	20,301	10,155	81,826	13,108	72,882	50c. per ton, if crude; 35c. per ton, if refined.
Gypsum, crude.....	Ton	83,488	97,783	81,548	92,992	216,352	245,525	243,491	278,950	Free.
Lime.....	Cwt.	26,855	11,713	7,918	3,316	99,580	41,153	71,641	28,454	Various.
Talc.....	Cwt.	11,565	5,664	6,657	3,662	76,825	38,182	56,009	28,998	35% ad val.
CHEMICALS AND ALLIED PRODUCTS										
Acetic acid.....	Cwt.	25,207	134,482	9,095	48,663	223,127	1,196,201	21,692	116,091	2c. per lb. if over 65% 10c. per lb. if over 65% 30c. per lb. if over 65% 30% ad val. if salts.
Cobalt oxides and cobalt salts.....	Lb.	19,600	24,592	.....	.....	19,620	24,606	.....	1,997,117	Free.
Cyanamid.....	Cwt.	134,353	142,614	80,125	73,357	1,861,715	2,071,147	1,769,016	6,867	Free.
Sulphuric acid.....	Cwt.	2,482	1,390	2,009	1,434	14,485	9,176	8,970	.....	Free.
MISCELLANEOUS COMMODITIES										
Organs.....	No.	.....	.....	.....	.....	8	16,261	7	23,244	35% ad val.
Total exports of above commodities.....	.....	.....	22,793, 815	.....	14,380, 082	.....	124,242, 851	.....	82,249, 820	.....
Total domestic exports to United States.....	.....	.....	52,120, 551	.....	20,688, 440	.....	211,237, 412	.....	121,816, 638	.....

(a) Reduced rates not applicable to imports of Douglas fir or Western hemlock in any calendar year in excess of 350,000,000 feet, board measure.

ANGLO-GERMAN PAYMENTS AGREEMENT

Referring to the report published in *Commercial Intelligence Journal* No. 1608 (November 24, 1934), page 779, the Chief Canadian Trade Commissioner in London writes that the Anglo-German Payments Agreement of November, 1934, has been amended as from July 1, 1938.

Under the old agreement the Reichsbank earmarked each month for the payment of United Kingdom exports to Germany an amount in sterling equal to 55 per cent of the value of German exports to the United Kingdom, calculated on the basis of the average of the German export statistics and the United Kingdom import statistics. The 55 per cent is now superseded by an arrangement under which the Reichsbank will earmark each quarter to pay for United Kingdom exports an amount of £4,500,000, with the addition or subtraction of 90 per cent of the excess or deficiency on an amount of £7,500,000 for German (including Austrian) exports for the preceding quarter, calculated on the same basis as under the 1934 agreement. This means that so long as German exports per annum, calculated on the above basis, exceed £30,000,000 in value (and they exceeded that figure even in the year 1933 when German trade was at a low ebb), the amount to be earmarked for German imports of United Kingdom goods will exceed £18,000,000 (i.e. 60 per cent of £30,000,000) by 90 per cent of the amount by which German exports to the United Kingdom exceed £30,000,000.

The new arrangement is expected to encourage larger German purchases of United Kingdom manufactured goods.

TRINIDAD MARKET FOR OILFIELD SUPPLIES

G. A. NEWMAN, ASSISTANT TRADE COMMISSIONER

Port of Spain, June 14, 1938.—The same oil-bearing stratifications which supply the Venezuelan oilfields appear to extend under the island of Trinidad, which at one point is only about seven miles distant from the Venezuelan coastline of South America. The oil industry in Trinidad has expanded rapidly since the first recorded well was sunk in 1867; the rate of increase may be estimated from the following table of average yearly development:—

Period	Wells Started	Footage Drilled	Production in Barrels
1900-10	3.4	2,637.5	50,803
1911-20	50.4	54,148.9	1,172,655
1921-30	124.1	208,715.5	5,246,579
1931-37	132.1	417,402.0	11,583,796
1936	171.0	594,529.0	13,237,030
1937	289.0	911,575.0	15,502,989

LOCATION OF WELLS

The wells are situated about 42 miles southeast of Port of Spain in an area which at present includes about 40 per cent of the island by lease or licence. Wells are sunk to depths of from 4,000 to 8,000 feet, the majority being close to 4,000 feet. By the end of 1937 a total of 1,170 wells were in operation, of which 491 were pumping wells, 357 flowing wells, 139 baling or swabbing wells, 100 air or gas lift wells, 68 plunger lift wells, and 15 wells on displacement pumps.

Twenty-one companies were in operation in 1937, but the largest purchasers are limited to four concerns, of which one, the Trinidad Leaseholds, Limited, is of outstanding importance.

Most of the companies have no refineries of their own, but sell their oil to either the Trinidad Leaseholds, Limited, or the United British Oilfields, Limited, who have refineries at Pointe-a-Pierre and Point Fortin respectively. The refineries have a total capacity of about 17,500,000 barrels per annum, and this is to be increased by the erection of a third plant in the near future. Three gas absorption plants and one gas adsorption plant are in operation. Tank storage is estimated at 4,514,293 barrels, while the tanks, plants, and wells are connected by approximately 225 miles of main oil pipeline.

From the refineries the oil is usually loaded at four specially equipped deep-water piers on to tankers for export.

Exports of petroleum and its products in 1937 were valued at \$18,896,422, or 59.93 per cent of Trinidad's total export trade. In round figures the 1937 exports of oil consisted of fuel oil, \$10,000,000; motor spirit, \$7,000,000; crude oil, \$480,000; kerosene, \$420,000; road oil, \$84,000, and lubricating oil, \$1,000.

OILFIELD HARDWARE IMPORTS

Trinidad's imports of oilfield equipment in 1937 were valued at \$35,835,514, a gain of \$8,647,520 over the 1936 figure. A large percentage of the increase in imports can be attributed to expanding oilfield requirements. The value of imports from the United States, the main source of technical equipment, was almost double the 1936 value to attain a total of \$8,376,596, or 23.7 per cent of total imports into Trinidad in 1937.

Many customs classifications covering equipment and products suitable for use in the oilfields recorded heavy increases in 1937. Imports of tubes, pipes, and fittings up to 6 inches in diameter were valued at \$2,208,690 (\$1,289,484 in 1936); tubes, pipes, and fittings over 6 inches in diameter, \$2,004,814 (\$1,003,232); oil mining machinery, \$475,022 (\$450,941); oil refining machinery, \$583,464 (\$160,581); manufactures of iron and steel, \$646,432 (\$589,740); cement, \$604,112 (\$410,729); angles, beams, shapes, and pillars, \$493,887 (\$240,578); bars and rods, \$194,606 (\$96,185); artisans' tools, \$129,712 (\$75,871); hardware other than hollow-ware, \$110,890 (\$70,773); manufactures of brass and copper alloys, \$137,827 (\$95,456); bolts, nuts, rivets, and washers, \$75,324 (\$50,701); and cordage, \$119,860 (\$79,150).

SOURCES OF SUPPLY

The United Kingdom, the United States, and Germany are the main sources of supply for standard oilfield equipment. For example, in 1937 the United States supplied 89 per cent of the oil refining machinery, 86.4 per cent of the oil mining machinery, 44.1 per cent of tubes up to 6 inches in diameter, and 21.1 per cent of tubes over 6 inches in diameter. The United Kingdom supplied 66.2 per cent of tubes over 6 inches in diameter; 43.5 per cent of tubes under 6 inches in diameter, and 12.4 per cent of the oil mining machinery. Germany supplied about 6 per cent of the tubes of all kinds.

IMPORTS FROM CANADA

Canada has obtained a comparatively modest share of this trade up to the present, although there were a number of encouraging increases in Canadian supplies in 1937. Imports of bars and rods from Canada were valued at \$52,868 (\$7,358 in 1936); cement, \$52,287 (\$21,782); wire nails, \$42,854 (\$19,293); oil refining machinery, \$50,838 (\$2,190); and paints, \$25,689 (\$10,439). In a number of items, however, imports from Canada were stationary or showed a slight recession in the face of a total increase. The value of tubes, pipes, and fittings up to 6 inches in diameter amounted to only \$58,440 as compared to \$68,294 in 1936; angles, shapes, sections, and beams, \$21,421 (\$27,927); manufactures of iron and steel n.o.p., \$17,230 (\$28,127); and metal furniture and parts, \$23,086 (\$25,887).

Canada also benefited indirectly from the oilfield trade in increased sales of foodstuffs and motor cars, but it is apparent from the foregoing figures that the opportunities for increased sales merit the attention of Canadian manufacturers. Canadian firms are favoured by more regular steamship connections than are their United Kingdom and continental competitors, and oil companies prefer to purchase Canadian products when quality and price are comparable with those of the same commodities obtainable from other sources. It is doubtful if firms in the Dominion could compete with United States manufacturers of oilfield specialties, but there is a wide scope for Canadian producers of general hardware and allied lines which find a ready sale in the oilfields.

COMMODITIES IN DEMAND

A recent canvass of the four leading oilfield companies shows that the following products are in steady demand:—

Steel bars and rods; steel casing; pump liners; malleable iron pipe; gas, water, and line pipes; iron conduits, bolts and nuts; pipe couplings; cable wire; chains; steel derricks; nails; rivets; iron washers; gaskets; valves; roller bearings; steel drums; pressure gauges; plumbers' brass goods; rope and cordage; electrical equipment; welding equipment; bolted tanks; concrete machinery; wire gauze; rubber hose; tool handles; steel cabinets; paints and paint brushes; wooden boxes; stationery; cement; barytes; firebricks; asbestos packing and sheeting.

A list of the leading oilfield companies and their purchasing agents may be obtained by interested Canadian firms on application to the Department of Trade and Commerce, Ottawa, quoting file No. 20840.

While it is possible for Canadian exporters to obtain an increased share of the oilfield trade either by direct approach to the oil companies or through agents, it would be to their advantage to combine in financing the visit of a Canadian engineer equipped to give technical advice to manufacturers in the Dominion. Such an engineer, working in close co-operation with the Trade Commissioner's office, local agents, and manufacturers, could keep Canadian firms fully posted as to all developments and ensure immediate adjustments in Canadian production to meet local requirements.

There is every indication that oilfield expansion is likely to be maintained at its present rapid pace for the next three or four years. One firm has announced the allocation of \$9,000,000 towards improvements to be completed in the next two years, while the installation of a new refinery, the erection of a new concrete pier, and a number of rehousing schemes are already in progress.

AUSTRALIAN TRADE WITH CANADA, 1936-37

L. M. COSGRAVE, CANADIAN TRADE COMMISSIONER

II

(Values of imports into Australia are recorded generally f.o.b. port of export in British currency plus 10 per cent; £stg.1 equals \$5 Canadian)

Following is an additional list of commodities imported into Australia in 1936-37 of interest to Canadian exporters, with total values and amounts credited to each of the chief supplying countries:—

COMMODITIES OF CHIEF INTEREST TO CANADA

STONES AND MINERALS, INCLUDING ORES AND CONCENTRATES

Asbestos, Crude.—Total, £87,117 (£94,237).

The Union of South Africa was the principal country of supply under this heading with £56,472 (£63,935), followed by Canada with £24,056 as compared with £22,372 in the previous year. Imports were also received from Rhodesia, £5,575 (£6,861).

Asphalt, Bitumen, Natural Pitch, Petroleum and Bone Pitch.—Total, £169,351 (£193,329).

Mexico with £135,152 (£148,786) enjoyed the bulk of this trade, the balance being supplied by the United States, £24,713 (£31,511); British West Indies, £6,476 (£10,471); and the United Kingdom, £2,817 (£2,265).

Feldspar.—Total, £2,976 (£3,455).

Norway supplied to a value of £1,695 (£1,771); Sweden, £544 (£430); United Kingdom, £425 (£506); while Canada is credited with a small initial shipment valued at £5.

Graphite, Black Lead, and Foundry Black in Bulk.—Total, £5,274 (£5,875).

The chief suppliers under this heading were the United Kingdom, £2,376 (£2,031), and Ceylon, £2,188 (£2,623).

Carborundum, Emery, and Other Abrasives.—Total, £16,572 (£9,265).

The United Kingdom was the chief supplier with £12,541 (£6,502), followed by the United States, £1,698 (£826), and Switzerland, £1,594 (£1,177). Canada is credited with £8 (trial order), and a marked increase may be expected in shipments from the Dominion of these commodities in the near future.

Sand, Glass, and Emery Paper and Cloth.—Total, £79,185 (£92,100).

Canadian supplies under this heading increased in value to £5,349 as compared with £3,902 in the preceding year. The chief suppliers were the United Kingdom, £69,034 (£76,657); Germany, £2,661 (£1,745); the United States, £1,296 (£8,736); and Switzerland, £691 (£575).

Grinding Wheels of Corundum (including Alundum, Alunite, etc.).—Total, £3,027 (£2,084).

The United Kingdom was the chief supplier with £2,628 (£1,826), but Canada was credited with £64 (trial orders).

Carborundum, Emery, and Other Abrasive Wheels.—Total, £54,882 (£52,318).

The United Kingdom obtained the bulk of this trade with £46,775 (£45,719), but Canada's share showed a marked increase to £2,011 from £533 in the previous year. Other sources of supply were the United States, £2,583 (£2,534), and Germany, £1,024 (£836).

METALS, METAL MANUFACTURES, AND MACHINERY

This classification covers a wide range of industrial machinery and metal items, including not only complete machinery but numerous semi-manufactured and auxiliary machine items for use in Australia's rapidly growing industries.

Adding and Computing Machines (including Parts).—Total, £170,260 (£128,243).

The United States was the principal supplier with £126,393, a substantial increase over the previous year's figure of £94,349, while Canada's share showed a marked decrease to £7,948 from £16,115. All other countries of supply, with the exception of Switzerland, £1,852 (£2,076), showed substantial increases: Germany, £15,053 (£6,033); United Kingdom, £10,695 (£3,501); and Sweden, £8,257 (£6,156).

Air and Gas Compressors and Exhausters.—Total, £88,575 (£77,071).

The United Kingdom was the leading supplier of this item with an increased value of £79,722 (£55,762). Germany also showed a substantial increase with £898 (£4), while Canada's share increased to £1,894 (£1,637). The United States with £5,644 (£18,473) and Switzerland with £15 (£812) showed marked decreases.

Cash Registers.—Total, £84,881 (£92,693).

Canada was the chief supplier under this heading with £76,035 (£78,947), other contributing countries being the United States, £6,214 (£9,670); Germany, £2,452 (£2,213); and the United Kingdom, £179 (£630); Japan's share dropped to £1 (£1,086).

Conveyors, Telfers, and Transporters.—Total, £4,922 (£4,373).

Canada entered this trade with initial shipments to the value of £1,419, the only other supplier of importance being the United Kingdom, £3,468 (£3,994).

Cranes, Hoists, and Other Lifting Machinery.—Total, £31,870 (£24,918).

Each supplying country with the exception of the United States, £1,916 (£4,805), showed an increase as follows: United Kingdom, £24,393 (£16,145); Germany, £1,984 (£1,419); Canada, £1,794 (£1,689); Belgium, £666 (£287); and France, £545 (£364).

Cream Separators.—Total, £144,092 (£124,419).

The bulk of this trade was obtained by Sweden, £81,020 (£67,325), and the United Kingdom, £42,278 (£36,233). Increases were also shown by the United States, £4,461 (£3,018), and Denmark, £1,232 (£1,007); but Canada, £13,034 (£14,192), and Germany, £864 (£1,803), showed decreases.

Cable and Wire for Electric Light and Power, Paper-insulated, Lead-covered.—Total, £83,310 (£40,811).

The chief supplying countries under this heading were the United Kingdom, £78,662 (£36,545), and Germany, £3,950 (£3,102); although Canada had participated in this trade during the previous year (£351) no imports are shown for the year under review.

Cable and Wire for Electric Light and Power, Other.—Total, £811,722 (£743,954).

The United Kingdom with £755,155 (£671,277) was the leading supplier under this heading, followed by Germany, £20,096 (£12,061); Belgium, £12,101 (£10,342); United States, £9,483 (£20,961); Japan, £6,114 (£8,540); Netherlands, £5,713 (£5,842); and Canada, £2,582 (£4,286).

Cable and Wire Covered, All Other.—Total, £141,019.

Imports under this heading were not previously recorded separately, supplies for 1936-37 coming from the following countries: United Kingdom, £95,184; United States, £32,131; Germany, £8,338; Belgium, £2,653; Japan, £1,475; and Canada, £647.

Carbon Manufactures of all Kinds, including Carbon Blocks.—Total, £68,295 (£58,743).

Canada was the chief source of supply with £20,416 (£10,771), having improved her position from fourth largest supplier. Other suppliers of importance were: Germany, £17,171 (£14,354); United Kingdom, £15,135 (£16,552); and United States, £12,257 (£13,741).

Motors under 1 h.p. not Internal Parts of Machines.—Total, £99,266 (£94,021).

Canada showed a marked increase in her share of this business with £22,827 (£2,879). The United Kingdom, £52,078 (£45,635); Germany, £4,026 (£3,897); and Sweden, £1,239 (£587), also increased their shares; the United States, £15,164 (£36,797), and Japan, £2,434 (£3,886), showed decreases.

Cods, High Tension, Ignition.—Total, £7,687 (£9,145).

Although the total value of these imports increased, Canada increased her share to £2,264 (£817), the United Kingdom, £1,202 (£2,518), and the United States, £4,198 (£5,792), supplying the balance.

Dynamo Electric Machines, Alternating Current, Induction Type.—Total, £124,571 (£125,446).

The United Kingdom obtained the bulk of this trade with £93,416 (£85,133), the balance coming from Sweden, £13,648 (£17,124); Germany, £5,514 (£2,242); the United States, £5,495 (£14,732); Canada, £2,970 (£608); and Denmark, £1,478 (£1,430).

Direct Current Motors for Geerless Lifts.—Total, £5,173 (£4,693).

Canada's trade under this heading has shown a marked increase, and she is now the principal supplier with £5,075 (£969). Imports from the United Kingdom decreased to £63 (£3,444).

Direct Current Motors, Other.—Total, £165,043 (£136,771).

In this item also Canada has shown a noteworthy increase to £4,368 (£971). The United Kingdom supplied the bulk of these imports with £120,105 (£81,117), followed by Germany, £21,372 (£32,452); and the United States, £13,501 (£13,633).

Direct Current Motors, n.e.i.—Total, £19,948 (£28,015).

Under this heading Canada also showed a marked increase to £2,515 (£45), the chief suppliers being the United Kingdom, £8,547 (£16,528); the United States, £5,674 (£9,376); and Germany, £2,155 (£1,467).

Converters, Motor and Rotary.—Total, £6,838 (£12,194).

The United Kingdom, £3,096 (£7,452), and Austria, £2,178 (£3,505), were the principal suppliers. Canada's share was £751.

Generators for Steam- or Water-driven Turbines.—Total, £2,274 (£2,367).

The United Kingdom is credited with £2,253 (£2,347) of this total, and Canada is shown with an initial shipment to the value of £15.

Universal Current Machines.—Total, £8,619 (£444).

Although the United Kingdom was the principal supplier with £7,159 (£444), the United States (£784) and Canada (£105) also participated.

Fittings, Electric, Partly or Wholly of Metal, viz., Switches, Fuses, etc., n.e.i.—Total, £100,262 (£88,113).

The United Kingdom, £63,891 (£51,460), was the principal supplier, other countries sharing this trade in a substantial way being the United States, £18,231 (£25,233); Germany, £10,398 (£4,834); and Switzerland, £2,366 (£3,897). Canada increased her share to £3,795 (£798).

Heating and Cooking Appliances: Stoves, Ranges, Ovens, Cookers, etc.—Total, £39,441 (£27,156).

The two most important countries in this trade, the United Kingdom, £21,901 (£15,329), and Canada, £15,240 (£10,104), showed substantial increases.

Fittings and Accessories, viz., Flush Plates, Ceiling Roses, Wall Sockets, Wall Plugs, etc.—Total, £29,266 (£29,106).

The United Kingdom, £17,749 (£17,271); Japan, £4,733 (£5,668); the United States, £3,157 (£3,570); and Germany, £2,652 (£2,050), shared the bulk of this trade; Canada showed a marked increase to £714 (£285).

Heating and Cooking Appliances, Other.—Total, £13,558 (£23,008).

The value of Canada's share under this heading decreased to £284 (£834). The United Kingdom with £11,713 (£15,403) was the chief supplier.

Household Dishwashing and Ironing Machines.—Total, £4,510 (£7,083).

The United States, £2,767 (£4,348), and Canada, £1,643 (£2,706), were the principal suppliers.

Measuring and Recording Instruments.—Total, £128,691 (£121,603).

Substantial increases were shown by the two leading suppliers, the United Kingdom, £72,668 (£66,698), and the United States £28,024 (£23,728); also the Netherlands with £3,980 (£397); but decreases were shown by Germany, £9,727 (£13,575), and Canada, £3,379 (£3,957).

Regulating, Starting, and Controlling Apparatus for Electrical Purposes, including Distributing Boards and Switchboards, n.e.i.—Total, £110,935 (£93,504).

The United Kingdom with £74,889 (£62,617) and the United States, £32,003 (£24,963), obtained the bulk of this trade; Canada is credited with £770 (£705).

Static Transformers at Voltages under 66,000.—Total, £17,522 (£8,313).

Canada is shown with an initial shipment valued at £684, the chief supplier being the United Kingdom, £13,199 (£4,799).

Valves for Wireless Telegraphy or Telephony (excluding Parts of Valves).—Total, £270,362 (£276,186).

The principal participants in this market were the United Kingdom, £112,305 (£77,293); Netherlands, £81,443 (£93,406); and the United States, £70,409 (£100,667). A marked increase, however, was shown by Canada with £4,855 as compared to £1,887 in 1935-36.

Electrical Appliances n.e.i.—Total, £197,156 (£215,934).

A small increase is shown in Canada's share under this heading, £3,386 (£3,197), the chief supplying countries being the United Kingdom, £121,291 (£137,169), and the United States, £59,223 (£53,626).

AGRICULTURAL IMPLEMENTS AND MACHINERY

Under this heading a wide variety of spare parts is imported into Australia from various countries, Canada participating to a small extent in the following items:—

Cultivators, Disc (including Parts).—Total, £5,169 (£2,914).

The United States was the chief supplier with £5,011 (£2,382), Canada's share being £64 (£350).

Drills (Fertilizer, Seed, and Grain), n.e.i. including Parts.—Total, £3,510 (£3,353).

Canada, £1,531 (£2,086), and the United States, £1,884 (£1,128), dominated this market.

Lawn Mowers, not Electrically- or Petrol-driven, Other (including Parts).—Total, £13,305 (£19,485).

While the United Kingdom with £6,009 (£6,502) and the United States, £5,281 (£10,143), obtained the bulk of this trade, Canada was credited with £1,056, a slight decrease from the previous year's figures of £1,520.

Knife Sections and Ledger Plates for Reapers and Binders and Mowers.—Total, £5,289 (£4,256).

Canada showed a substantial increase under this heading from £239 to £2,093, and shared the market with the United Kingdom, £2,059 (£3,117), and the United States, £1,089 (£883).

N.e.i. for Reapers and Binders.—Total, £7,876 (£6,320).

Imports from Canada dropped by half under this heading, £654 (£1,434), the principal supplier being the United States, £6,854 (£4,205).

N.e.i. for Hay Rakes (Horse-drawn) and Mowers.—Total, £3,442 (£3,875).

The principal supplying country, the United States, increased her share to £1,889 (£1,339), but both Canada, £540 (£1,200), and the United Kingdom, £198 (£1,077), showed marked decreases.

Mowers.—Total, £10,986 (£27,760).

Canadian imports showed a decrease to £199 from £1,373. Sweden with £6,247 (£9,757); the United Kingdom, £3,018 (£1,981); and Germany, £22, were the other suppliers.

Ploughs, Stump Jump (including Parts).—Total, £2,637 (£289).

Canada dominated the market with £2,614, a noteworthy increase from £287.

Ploughs, Other.—Total, £9,889 (£3,478).

Canada showed a substantial increase to £2,316 from £763, the other important source of supply being the United States, £7,148 (£2,514).

Plough Shares.—Total, £3,187 (£1,680).

Canada with another substantial increase to £1,778 (£442) was the leading supplier, followed by the United States, £1,080 (£965).

Reapers and Binders (including Parts).—Total, £13,225 (£14,737).

Canada and the United States shared this trade, but while the former's share increased to £1,734 (£442), the latter showed a decrease to £11,491 from £14,295.

Mangles, Clothes Wringers, and Clothes Washing Machines for Household Use.—Total, £52,171 (£40,074).

Canada was the chief supplier and showed a substantial increase to £27,565 (£7,960). Other countries mentioned were the United Kingdom, £12,674 (£11,241), and the United States, £11,922 (£20,817).

Metal-working Machinery, Drilling Machines.—Total, £84,535 (£70,050).

Canada participated to a small extent in this trade but increased her share to £837 (£589). The United Kingdom was the principal supplier with £58,074 (£44,581).

Other Metal-working Machinery.—Total, £318,161 (£245,092).

The three leading suppliers were the United Kingdom with £150,769 (£99,996); Germany, £62,446 (£31,523); and the United States, £94,385 (£101,688). Canada's share was small and showed an increase to £682 (£207).

Rock-boring Machines n.e.i.—Total, £8,611 (£13,229).

The United States was the chief supplier with £6,096 (£6,113); Canada showed a decrease to £1,452 from £6,025 in the previous year.

Other Mining Machinery.—Total, £13,929 (£26,461).

Canada entered this market with £2,012, other countries of supply being the United Kingdom, £6,202 (£15,651), and the United States, £5,367 (£9,659).

Motive Power Machinery (except Electric): Motor Car, imported separately (including Parts).—Total, £32,884 (£38,078).

The United States with £14,550 (£19,807) and the United Kingdom with £11,387 (£15,923) shared the bulk of this trade; Canada increased her share to £6,623 (£1,307).

Steam Turbines (including Parts).—Total, £33,639 (£130,965).

There were no imports from Germany, Sweden, and Switzerland, which formerly participated in this trade, and supplies from the United Kingdom showed a marked decrease to £30,805 (£114,785). Canada also showed a decrease, £67 (£349). The only country showing an improvement was the United States with £2,767 (£1,894).

Diesel Type or Heavy Oil Type Engines (including Parts).—Total, £402,996 (£340,433).

This trade has shown a marked increase, and Canada entered the market with eight units to the value of £1,945. The bulk of the supplies came from the United Kingdom, £386,250 (£316,521), other suppliers of importance being Germany, £6,979 (£7,267), and the United States, £5,555 (£4,652).

Kerosene, Petrol, and Other Light Spirit Engines (includes Parts).—Total, £72,812 (£71,959).

Canada's share showed a marked increase under this heading with £2,893 (£308); the United Kingdom, £42,560 (£47,827), and the United States, £26,646 (£23,234), were the main suppliers.

Spark Plugs.—Total, £75,820 (£60,085).

Canada was the chief supplier with £53,504, a substantial increase over last year's figure of £32,807. Next in importance was the United Kingdom with £21,487 (£23,497); imports from the United States dropped to £774 (£3,582).

Motive Power Machinery n.e.i.—Total, £115,206 (£90,370).

The bulk of this trade was obtained by the United Kingdom with £55,087 (£41,940) and the United States, £45,985 (£34,461); Canada ranked next with £11,215 (£10,321).

Paper-making Machinery.—Total, £16,327 (£44,707).

The market was shared by the following countries: United Kingdom, £8,077 (£37,951); United States, £5,803 (£881); Sweden, £1,298 (£3,117); and Germany, £1,149 (£2,491).

Paper Working and Paper-box Making Machinery.—Total, £67,948 (£75,718).

Canada participated for the first time with shipments to the value of £205. The bulk of the imports came from the United Kingdom with £53,838 (£31,119); marked decreases were shown by Germany, £9,823 (£18,808), and the United States, £3,293 (£24,059).

Printing Machinery, Aluminium Rotary Graining Machines.—Total, £69,041 (£75,853).

Although Canada participated in this trade previously with £3,099, there were no imports in 1936-37. The United States with £46,142 (£55,110) and the United Kingdom with £21,921 (£15,427) shared the market.

Refrigerators, Electrical, Household Type.—Total, £71,656 (£70,400).

Canada showed a noteworthy increase with £31,929 as against £2,423 in the previous year, while imports from the United States dropped to £32,517 (£65,967). The United Kingdom supplied to a value of £6,749 (£1,955).

Refrigerators, Electrical, Other.—Total, £3,790 (£2,073).

Canada was the chief supplier under this heading with initial shipments of 122 units to the value of £3,150. Imports from the United States, previously the chief supplier, dropped to £122 (£1,865).

Refrigerators, Electrical, Parts of.—Total, £58,653 (£60,069).

The United States was the chief supplier with £24,118 (£48,990). Canada, however, showed a great improvement with £17,049 (£32), as did the United Kingdom, £15,000 (£7,153), and Sweden, £2,241 (£384). Japan's share fell to £117 (£3,132).

Refrigerators, All Other, including Parts.—Total, £21,135 (£2,341).

The United Kingdom with £13,424 (£1,210) controlled this trade; other participants were Sweden and the United States.

Textile Working Machines and Appliances, Knitting.—Total, £229,243 (£169,406).

Canada's share showed an increase to £5,455 (£3,908). The chief sources of supply were Germany, £157,075 (£72,904); the United Kingdom, £41,197 (£47,309); and the United States, £23,937 (£43,004).

Typewriters, including Covers and Parts.—Total, £224,078 (£175,988).

Canada almost trebled her supplies under this heading with a total of £118,182 as compared with £43,725 in the preceding year, and was the chief supplier. The United Kingdom also showed an increase to £31,382 (£29,892); while imports from the United States decreased to £65,381 (£97,517).

Weighing Machines.—Total, £43,709 (£43,220).

The chief source of supply was the United Kingdom with £32,653 (£26,962); Canada ranked second with £4,008, a marked increase over the previous year's figure of £168. Imports from the United States showed a decrease to £3,419 (£11,433).

Woodworking Machinery, n.e.i., Other.—Total, £28,464 (£28,895).

Imports from the United Kingdom showed a substantial increase to £17,343 (£9,150), and those from Sweden also increased to £4,845 (£1,708), but decreases were recorded for the United States, £2,456 (£10,455); Germany, £2,483 (£6,428); and Canada, £228 (£655).

Machinery n.e.i.—Total, £888,790 (£765,843).

The chief participants in this trade were the United Kingdom, £472,539 (£407,178); the United States, £241,081 (£229,429); and Germany, £66,719 (£68,673). Imports from Canada showed a decrease to £10,197 from £14,293.

TRADE OF TANGANYIKA TERRITORY, 1937

G. R. HEASMAN, CANADIAN TRADE COMMISSIONER

(Figures in parentheses are for 1936)

Cape Town, June 14, 1938.—The trade of Tanganyika during 1937 broke all records, with large exports of sisal and gold, products of the two industries especially controlled by Europeans. This would not, however, have been sufficient in itself to have created a record year without the satisfactory conditions that existed in the agricultural industry and the consequent greater prosperity and higher purchasing power of the natives.

Towards the latter half of the year there was a sudden fall in the prices of most primary products, which has caused some concern, especially with regard to the position of coffee. In all probability Tanganyika, like the Union of South Africa, had reached the peak of its prosperity, and there will now be a general levelling off in trade.

The following table shows the volume of trade for the past five years:—

	1933	1934	1935	1936	1937
Trade imports	£1,868,579	£2,241,354	£2,854,480	£3,201,013	£3,782,574
Government imports	78,108	101,831	135,120	155,847	141,521
Total imports	1,946,687	2,343,185	2,989,600	3,356,860	3,924,095
Domestic exports	2,543,162	2,645,283	3,445,143	4,516,284	4,969,452
Re-exports	182,716	211,306	278,545	289,674	342,012
Total exports	2,725,878	2,856,589	3,723,688	4,805,958	5,311,464
Volume of trade	4,672,565	5,199,774	6,713,288	8,162,818	9,235,559

The total volume of trade shown in 1937 was not only the highest in the history of the territory but exceeds the combined total for 1932 and 1933. The visible trade balance was favourable and was nearly as high as in the previous year. The comparative figures of favourable trade balances for the past five years in pounds sterling and as a percentage of the total imports were as follows: 1933, £779,191 (40); 1934, £513,404 (22); 1935, £734,088 (25); 1936, £1,449,098 (43); 1937, £1,387,369 (35).

IMPORT TRADE

The total value of imports, as shown above, represent an increase of over 17 per cent. The chief sources of supply were: the United Kingdom, 24·3 (27·2) per cent of total value of imports; Japan, 23·8 (23·3) per cent; Germany, 13·4 (14·1) per cent; United States, 6·5 (6·5) per cent.

The principal items imported into Tanganyika in order of importance were as follows: cotton piece-goods, machinery, iron and steel manufactures, other foodstuffs, motor spirit, building materials, apparel (including underwear, hosiery, hats and caps), motor lorries, cigarettes, motor cars (touring), tools and implements, sugar, petroleum lamp oil, artificial silk, grain, jute bags and sacks, tires and tubes, wheat flour, spirits, drugs and medicines, cotton blankets.

Imports from the United Kingdom, although increasing in total value, showed a percentage decline for the second year in succession. Machinery was the most important item imported from the United Kingdom, followed by motor vehicles and cycles, cigarettes, cotton piece-goods, chemicals, iron and steel manufactures, cement, and whisky.

Imports from Japan showed an increase in value of £152,000, of which £136,000 represented increased importations of cotton and artificial silk piece-goods and wearing apparel. It was only due to the scarcity of shipping from Japan that a larger proportion of the cement imports was not obtained from that country. The indications are that unless Japanese trade is seriously affected by the war with China her share of the imports into Tanganyika in 1938 will, for the first time, exceed that of the United Kingdom. Of total imports into Tanganyika from Japan at the present time, two-thirds consist of cotton piece-goods. Other large imports are wearing apparel, artificial silk piece-goods, boots and shoes, enamel hollow-ware, and cement.

Imports from Germany increased but showed a slight percentage decline as compared with 1936. Foreign exchange difficulties were solved by means of an advantageous system of barter.

Imports from Holland increased by 1 per cent, the largest percentage advance of all supplying countries, which was accounted for largely by an increase of £27,000 in the value of imports from that country of cotton piece-goods and blankets.

IMPORTS FROM CANADA

Imports from Canada consisted chiefly of motor cars and lorries valued at £53,311; motor car parts, £6,218; and tires and tubes, £3,593. Other imports from Canada valued at over £100 consisted of fish, canned or preserved, £185 (£326); fruits and vegetables, fresh and green, £229 (£248); fruits and vegetables, bottled, tinned, or otherwise preserved, £151 (£22); milk, condensed, desiccated, or preserved, £310 (£110); tinned provisions, n.e.e., £171 (£86); plywood and pulpboards, £54 (£449); timber, n.e.e., including plain, smoothed, grooved, or tongued, £1,865 (£625); implements and tools, not agricultural, £132 (nil); internal combustion engines, £192 (£80); industrial machinery and parts thereof, £444 (£161); other rubber manufactures, n.e.e., £53 (£103); felt roofing, rubberoid, uralite, and similar substances for building purposes, £129 (£50); miscellaneous goods, n.e.e., £35 (£218).

EXPORTS

The export trade of Tanganyika increased in value from £4,516,284 in 1936 to £4,969,452 in 1937, or by 10 per cent. Chief countries of destination were: United Kingdom, 29·9 (32·2) per cent of the total value of exports; British India, 8·4 (5·9) per cent; Belgium, 12 (12·7) per cent; Germany, 10·1 (7·2) per cent.

Belgium was the chief foreign purchaser, taking large quantities of sisal. Germany's share of the exports increased by nearly 3 per cent, her purchases of sisal having almost doubled and hides and skins more than doubled the 1936 values. The United States was an important market for sisal and binder twine, while France took considerable quantities of hides and skins and ground nuts. Principal exports to Canada from Tanganyika consisted of sisal, beeswax, and coffee. Tanganyika's chief exports consisted of sisal, cotton, gold, coffee, ground nuts, hides, copra, rice, beeswax, sheep and goat skins, sesame, and ghee.

With gold production advancing steadily, Tanganyika, like the Union of South Africa, can depend upon this industry for at least another year to help maintain prosperity, even though agricultural prices show a slight recession.

Provided, therefore, that there is no drastic decline in prices of sisal, coffee, and cotton, Tanganyika should experience another good year in 1938, although it is not anticipated that the trade figures will reach those for 1937.

ECONOMIC CONDITIONS IN BRAZIL IN 1937

L. S. GLASS, CANADIAN TRADE COMMISSIONER

(The average value of the conto, equal to 1,000 milreis, in 1937 was \$62.23 Canadian; in 1936 it was \$57.76)

Rio de Janeiro, June 10, 1938.—The very favourable conditions prevailing in Brazil towards the end of 1936, and which gave every promise of improving in 1937, were not maintained. The increased returns from exports and the attendant favourable trade balance of the first seven months were completely offset by reductions during the latter part of the year. As a result, 1937 showed one of the lowest, if not the lowest, favourable balances of trade in the history of Brazil.

EXTERNAL TRADE

The value of Brazil's exports in 1937 was \$347,564,000, as compared with \$320,043,000 in 1936, an increase of \$27,521,000 or 8.9 per cent. With the exception of three months—September, November, and December—the monthly totals exceeded any attained during the previous five years. National prosperity and the increased amount of foreign exchange available made possible the purchase of a greater volume of imported goods, which increased by 34.6 per cent or \$73,837,000—from \$246,717,000 in 1936 to \$330,554,000 in 1937.

Imports increased steadily throughout the year, whereas exports, which up to the beginning of 1937 had shown great promise, fell off heavily in the last five months. For the last quarter of the year there was an adverse balance of over \$16,000,000.

At the end of 1937 Brazil had a favourable trade balance of only \$17,010,000. Previous balances were: 1933, \$53,265,000; 1934, \$78,869,000; 1935, \$44,579,000; and 1936, \$73,326,000. This balance represents practically the only source of foreign exchange required for all foreign payments, including foreign debt service and remittances for the account of invested capital. Exclusive of private remittances, the requirements of the Government are probably in the neighbourhood of \$60,000,000. It is obvious, therefore, that Brazil could not continue to meet all demands for foreign exchange, and, rather than have commerce again bear the brunt of the exchange shortage, a moratorium was declared on the foreign debt service.

FEDERAL FINANCES

BUDGET

Brazil's budget for the year 1938 indicates a determined effort to attain budgetary equilibrium as soon as possible. Budgeted deficits for the three previous years were 522,000, 329,000, and 507,000 contos. For 1938, however, the deficit is estimated at 51,604 contos. Revenue, it is estimated, will exceed 3,218,000 contos—27 per cent greater than in 1937—and expenditure, despite plans for extensive public works and continued purchases of war material, is budgeted for an increase of but 4 per cent, or a total of 3,875,000 contos. Revenue is expected to be 76 per cent in excess of that for 1935.

Import duties, port dues, etc., are expected to produce 1,329,700 contos in 1938 as against 999,100 contos in 1937. The port of Rio de Janeiro collected duties to the value of 510,000 contos in 1937; the imports through that port amounted to two-fifths of the total imports. It is expected therefore that the return from this source in 1938 will be in the neighbourhood of 1,275,000 contos, or about 44,000 contos less than the total estimated for 1938. On that basis 1938 will probably show an increase over 1936 of about 150,000 contos. A further depreciation of the milreis on the world markets will probably result in a decrease in imports, and at the same time any increase in customs duties or other taxes with incidence upon imports may have a similar effect.

One measure of this nature has already been introduced. This is a tax of 3 per cent on all exchange transactions, and in so far as imports are concerned is equivalent to a supertax of 3 per cent of the c.i.f. value. An expected revision (generally speaking, upwards) of the consumption tax will to some extent discriminate against imported goods. It is anticipated that this tax will be the second most important revenue yielder, budgeted to return 848,000 contos. It remains to be seen whether the anticipated increase in this tax will return a greater revenue or have only the effect of reducing consumption. On some items, especially luxury articles, the increase in rate will be more than 300 per cent.

On the expenditure side, the Ministry of Foreign Affairs is allocated the sum of 1,228,000 contos; Public Works, 932,000 contos; War, 738,000 contos; and Marine, 300,000 contos. These four services account for 3,188,000 contos or 85 per cent of the whole expenditure. Each department, with the exception of Education and Marine, has a budgeted increase, the greatest being in those of Finance, War, and Agriculture.

EXTERNAL DEBT

It is only through the foreign credits accruing from the sale of Brazilian goods abroad that the country is able to obtain the foreign exchange necessary to meet payments on the external debt. The total external debt of the Federal Union, states, and municipalities on January 1, 1937, was £158,110,926, U.S.\$365,962,245, francs (gold) 229,185,500, florins 8,366,000, and francs (paper) 532,254,837. In sterling this represents £249,709,000 or, at \$4.90 to the pound, \$1,233,574,000. Payments for the service of this debt in 1937, in accordance with a decree of February, 1934, were to be £8,724,000. Apparently this was all remitted during the year, the last payment having been made in the month of November. According to official statistics recently published, the favourable balance of trade for 1937 was £3,329,000, or £5,395,000 short of the total needed for the foreign debt service.

In 1936 there was a surplus of exchange, but it was not sufficient to cover the apparent deficit for 1937. It must be borne in mind also that the figures given above represent the funded debt only, as covered by the "Oswaldo Aranha" funding scheme of 1934. Besides these payments there must also be taken into

account commercial arrears (frozen credits) amounting to nearly £4,000,000 sterling. Over and above these contractual payments, which total some £12,000,000, there was in 1937 a much more generous distribution of foreign cover for the account of dividends and interest on foreign capital. It is estimated, therefore, that Brazil had to find some £12,000,000 more than the amount supplied by the balance of trade to meet 1937 payments.

The budget provides for payment for account of the consolidated external debt, 240,000 contos (£2,759,000 sterling); and payments on account of various commercial arrears agreements with Great Britain, France, and the United States, 327,000 contos (£3,900,000 sterling). A sum of approximately 759,000 contos for the consolidated external debt would be required were Brazil to continue servicing her foreign debt on the same basis as in 1936. There is no indication as to what form future payments will assume or when a new debt service agreement will be contracted by Brazil.

NOTE CIRCULATION

The value of the note issue of the National Treasury continues to increase. As on December 31, 1937, the total value was 4,532,450 contos, an increase of 502,606 contos; the total issue in 1928 was 2,790,000 contos. Gold reserves have increased markedly in the past year, and whereas at the end of 1936 these were represented by 21,792 kilograms of fine gold, valued at £2,976,214 gold, this had risen to 28,120 kilograms valued at £3,840,333 gold by December 31, 1937.

EXCHANGE

The policy of free exchange adopted in February, 1935, was continued unchanged for the first ten months of 1937. The first six months of the year gave every indication of an abundance of exchange for all purposes. The favourable balance for this period was £5,548,000 (\$27,808,100), but during the last quarter of the year there was an unexpected heavy reduction.

"Official" exchange was done away with on November 13 by a decree which made it no longer necessary for exporters to sell a portion of their export bills to the Bank of Brazil at an arbitrary rate named by the bank. However, as the declining trade balance became apparent, it was felt that a reversion to strictly controlled exchange was the only solution for the growing shortage. The Bank of Brazil was granted a monopoly of exchange transactions. This was immediately followed by an "exchange holiday," during which business in exchange was suspended. (With the exception of the foreign debt service, this "holiday" came to an end in the latter part of January, and exchange was from then on distributed in accordance with the regulations in force during 1934, actual remittance of cover being made approximately fifty days after due date of the drafts.)

SITUATION IN 1937

Following is a summary of the exchange position in Brazil during 1937:—

On the side of assets the first item was the favourable balance of trade for 1936, which was £14,812,000 sterling. Undoubtedly this could be increased by perhaps 10 per cent—that is to say, by £1,500,000—since there was probably an undervaluation of declared export prices. It is unlikely that there was any surplus from 1935, as the apparent favourable balance of trade was hardly sufficient to meet the requirements for that year. It is reported that some £7,000,000 came into the country in the way of new investments during 1936. With regard to this item, it is possible that a considerable amount really found its way into Brazil in the form of milreis credits only, which would mean a

reduction in the actual amount of foreign exchange. The tourist trade was possibly responsible for a further £1,000,000. This would give Brazil an estimated balance of £24,312,000.

From this amount certain deductions must be made. External debt payments in 1936 amounted to £7,915,324, commercial arrears agreements to £6,581,050, and other disbursements to £273,960. There was also the cost of foreign missions which, according to the budget estimates, was approximately £315,000. Remittances to the account of foreign capital have been estimated at about £4,500,000 and immigration remittances at about £1,500,000, bringing the total to just over £21,000,000.

In the case of Brazil's trade with countries operating under a regime of compensated currency, it is assumed that imports from such sources are paid for in kind and that there are no exchange transactions. When the trade balance is favourable in either direction, it is obvious that some correction is necessary. In the case of a balance favourable to Brazil there is little doubt but that the difference would be made up by increased sales to that country. When the balance is the other way, however, there is some uncertainty as to the method of settlement. Since Brazil has an unfavourable balance with Germany, it will be assumed for the purposes of this report that the balance, amounting to some £4,000,000, accruing to Germany in 1936 will not require any expenditure of foreign convertible exchange, and therefore will be deducted from the total of Brazil's exchange responsibilities.

Thus, allowing for Brazil's trade with Germany, there would appear to have been a carry over from 1936 of about £7,227,000—that is, £24,312,000 less £21,085,000 plus £4,000,000. (The total was estimated at nearly £9,000,000.)

EFFECT OF EXCHANGE POLICY

The policy of stabilizing the milreis tended to encourage exporters to sell export bills in advance. At the same time importers were inclined to seek extensions on their bills, hoping the milreis would strengthen. During July and August the rate was allowed to weaken; importers rushed to cover their commitments, and exporters withheld sales of their bills. This resulted in a heavy demand for cover which was no longer being replenished by sales of export bills and, coupled with the fact that since early in the year restrictions on payments abroad for other than imports had been greatly relaxed, brought about an exchange shortage. In order to maintain the level of value of the milreis, the Bank of Brazil was forced to draw upon its exchange reserves held abroad to the extent of some £2,000,000. Exports during the remaining four months of the year continued to be insufficient (adverse balance £3,369,000), and the bank again had to resort to its exchange reserves, amounting to between £7,000,000 and £9,000,000.

The year closed with disbursements totalling in the neighbourhood of £21,300,000, made up as follows: foreign debt service, £8,724,000; commercial arrears, £4,000,000; interest and dividends, £6,000,000; immigration remittances, £2,000,000; foreign missions, £315,000; and miscellaneous, £273,000. Exchange available is estimated as follows: German balance, £4,600,000; balance carried forward from 1936, £7,000,000 to £9,000,000; 1937 trade balance, £3,329,000; new capital, £4,000,000; tourist traffic, £1,500,000; and miscellaneous, £500,000—that is to say, between £20,000,000 and £23,000,000, more or less equal to expenditures.

At best, 1937 would appear to have ended in a state of equilibrium, with the possibility of an actual deficit had foreign exchange been used to cover all or any part of the German balance. It was reported in December that the Bank of Brazil held an uncovered forward position of £3,500,000 in foreign exchange. Should Brazil not resume payments on the consolidated foreign debt, the burden for 1938 will be greatly reduced, and the respite thus gained would most certainly offer a much needed opportunity for retrenchment.

BANK OF BRAZIL

The annual report of the Bank of Brazil indicates that, owing to unusual conditions experienced throughout the country during 1937, there was a decrease of 14 per cent in total deposits which, based on the average daily balances, amounted to 2,235,000 contos as against 2,612,000 contos in 1936. There was a slight increase in the deposits of other banks with the Bank of Brazil from 569,000 contos to 629,000 contos, and in saving accounts from 107,000 contos to 123,000 contos. Sight deposits decreased from 1,165,000 contos to 951,000 contos, while deposits by federal, state, and municipal bodies decreased from 769,000 contos to 530,000 contos.

In order to compensate for this reduction, the bank increased the operations of the rediscount bureau and as a result the average balance of rediscounts for 1937 was 581,000 contos as against 478,000 contos in 1936, an increase of over 21 per cent.

Loans showed a decrease from a total of 3,000,000 contos in 1936 to 2,853,000 contos in 1937. In the case of federal, municipal, and state bodies, the decrease was from 1,398,000 contos to 1,370,000 contos; National Coffee Department, from 595,000 contos to 539,000 contos; and commercial loans from 1,076,000 contos to 943,000 contos. At the same time there was a further increase in the average value of cheques cleared from 2,495,000 contos in 1936 to 2,755,000 contos in 1937.

Owing to the various decreases in the activities of the bank, especially loans and discounts, profits during 1937 fell off from 87,813 contos to 64,228 contos. The usual dividend of 15 per cent was declared.

Bank of Brazil shares opened in January at an average price of 330 milreis, which was the lowest average price since 1927. However, a sharp increase occurred in February and continued until September, when there was a further drop. The average closing price in December was 321 milreis, or an index value of 71 as compared with the base year of 1928. The average index rate for the year was 80 as compared with 85 in 1936.

The returns from foreign banks operating in Brazil showed the following position in 1937: capital, 123,000 contos; deposits, 1,663,000 contos; loans, 1,398,000 contos; and cash on hand, 664,000 contos.

STOCK EXCHANGE TRANSACTIONS

Reduced activities of the stock and bond market towards the latter part of 1936 continued through 1937 and as a result sales in 1937 totalled 710,000 contos as against 737,000 contos in 1936. Despite this reduction, however, the value for 1937 was approximately 40 per cent higher than for any year since 1929 with the exception of 1936. The value of transactions in common stocks and shares increased from 67,816 contos to 70,000 contos, while bonds, stocks, and shares of fixed interest rate decreased from 669,500 contos to 640,100 contos, accounted for entirely by decreased operations in government bonds, which fell from a total of 662,000 contos to 628,000 contos, whereas similar securities of commercial origin increased from 7,000 contos to 12,000 contos.

RAILWAYS

At time of writing, few details are available with respect to the general railway situation in Brazil. São Paulo is undoubtedly the most important state as regards railway traffic, and although the 1937 returns of the Paulista railways cannot be regarded as a measure of conditions in other states, they indicate the growth of traffic and business in Brazil as a whole.

Cars loaded in the city of São Paulo, the capital of the state, for outside points increased by 15 per cent in 1937 as compared with 1936, the total number being 1,768,000. This growth has been steady since 1930, when the total number was 1,070,000.

Gross revenue has kept pace with the carloadings, increasing from 329,000 contos in the base year 1930 to 458,000 contos in 1936 and an estimated gross for 1937 of 507,000 contos. The index number for 1937 is 155, the highest during the 7-year period.

AIR SERVICES

Commercial air lines continue to show great expansion in Brazil. Air distance in kilometres flown increased from 4,689,000 in 1936 to 6,113,000 in 1937. The distances covered by lines in operation, linking all the states of the Union, total 68,472 kilometres. The number of passengers carried increased from 35,190 in 1936 to 61,874 in 1937. In 1936 baggage and cargo were not listed separately, and their combined weight in that year, 631,000 kilos (2·2 pounds) was less than that of the baggage carried in 1937, which was 796,000 kilos, while 235,000 kilos of cargo were carried. The volume of mail carried increased from 118,652 kilos to 149,138 kilos in 1937.

A more definite idea of the progress which has been made may be gained from a comparison with the following figures for 1928: lines in operation, 6,595 kilometres; air kilometres flown, 912,359; passengers carried, 2,504; baggage carried, 20,259 kilos; cargo, 1,911 kilos; and mail carried, 7,688 kilos.

PRIMARY PRODUCTION

Primary production of foodstuffs, raw material, and feedstuffs has shown further expansion in 1937. Taking 1928 as the base year, the index for 1937 has been officially placed at 138 for physical volume and 119 for value. This is a marked increase over 1936, when the respective indices were 127 and 107. The 1937 indices are the highest during the past twelve years.

Each of the three subdivisions of primary materials has shown an increase, although the greatest is in raw material, which has risen from 183 in 1936 to 210 in physical volume in 1937 and from 243 to 312 in value.

The production of minerals advanced from 1,935,000 tons valued at 250,000 contos in 1936 to 2,100,000 tons valued at 298,000 contos in 1937. Forest production increased in value from 433,000 contos to 609,000 contos, while agricultural production increased from 10,814,000 contos to 11,908,000 contos.

COFFEE

Coffee exports from Brazil during 1937 showed a marked decrease in volume, amounting to 12,122,808 bags of 60 kilos each as against 14,185,506 bags in 1936. The 1937 total is the lowest for the past ten years with the exception of 1932, the year of the São Paulo revolution, at which time the export of coffee from that state, which is the greatest exporter, practically ceased. Prices during the year, particularly in the first nine months, were considerably higher than in 1936 and among the highest since 1929. The exchange situation was also better, and milreis quotations were sufficiently strong to enable coffee exports to show a slight increase in foreign exchange value, although the milreis value dropped. The export values were 2,231,000 contos in 1936 and 2,156,000 contos in 1937. Taking the average rate of exchange for the year, the dollar value was \$128,755,000 in 1936 and \$134,140,000 in 1937. Official figures give the value in gold pounds as £17,785,000 in 1936 and £17,887,000 in 1937.

Despite the fact that 1937 showed a slight improvement in foreign exchange value, it is considered that the year, as a whole, was disappointing in view of the fact that the percentage of Brazilian coffee consumed was 62·4 per cent of the total during 1935-36, while for the crop year 1936-37 this decreased to 56 per cent, probably the lowest percentage in the history of Brazil. Even during the 1932-33 crop year, when São Paulo was out of the market, 59·5 per cent of world consumption was Brazilian coffee. This becomes even more

significant when it is considered that total world consumption has steadily increased, the entire increase being taken up by countries other than Brazil, and even last year, when there was a slight recession in the total coffees consumed, other countries showed an increase while Brazil absorbed the entire decrease. The period July to December, 1937—that is to say the first half of the 1937-38 crop year—showed a slight falling off in world deliveries, and the entire decrease was again at the expense of Brazilian exports.

In 1931 Brazil embarked upon a plan to control prices through the destruction of surplus coffee stocks, and by the end of 1937 some 56,728,000 bags of 60 kilos each had been destroyed. It would appear, however, that most of the advantage of the coffee market control was being reaped by other countries, which took advantage of the lucrative prices and increased their production. Thus the world consumption of coffee, other than Brazilian, has increased from 22,000,000 bags in 1923-24 to 25,000,000 bags in 1937. Recognizing this fact, Brazil decided in November, 1937, to forsake the policy of price control or supply control and reduced the export tax on coffee from 45 milreis to 12 milreis per bag. This relieved the exporters from the necessity of selling part of their bills at the "official rate" of exchange, which was formerly about 25 per cent below the open market quotations for foreign exchange in terms of milreis. This had the effect of reducing Brazilian coffee prices and exports began to increase. It is still too early, however, to determine what the long-term effect will be. If Brazil is unable to increase her exports proportionately to the decrease in prices, it will mean less foreign exchange coming into the country, although the exporter will actually be receiving the same number of milreis. The reduction in price is brought about by the reduction in internal taxes, which were actually passed on to the foreign importer in terms of higher prices.

COTTON

Brazilian cotton exports, which only in 1934 began to be recognized as one of the important items in Brazilian international trade, continued to show an increase during 1937 both as regards volume and value. In 1936 exports amounted to 200,313 tons valued at 648,000 contos, the equivalent of £7,455,000 gold. This increased in 1937 to 236,100 tons valued at 944,400 contos or £8,018,000 gold. This is a noteworthy increase from 1933, when the total volume of exports was slightly over 11,600 tons.

The gold value of the cotton exports is, however, considerably discounted by the fact that Germany absorbed nearly 85,000 tons for which payment was made in blocked currency.

The State of São Paulo exported some 160,000 tons out of its total production of 203,000 tons. Some 28 $\frac{3}{4}$ per cent of the total of the São Paulo crop was grade 6, 17 per cent grade 7, and 5 $\frac{1}{2}$ per cent grade 8; 30 per cent was of the basic grade 5, while the high qualities altogether totalled only 16·7 per cent.

The cotton market suffered violent fluctuations in 1937. However, a large proportion of the Brazilian crop was sold early in the year when the ruling price in the United States was 4 cents per pound.

On December 15 official distribution of seed cotton in the State of São Paulo ceased. Since 560,000 bags of 30 kilos each were distributed, the 1938 crop will probably be larger than that of 1937.

BUSINESS CONDITIONS

Under present circumstances, should Brazil abandon completely the policy of exchange control, the milreis would undoubtedly fall to a low level, with an attendant increase in the cost of living which would act as an automatic check to imports. By controlling exchange, however, it is believed that the desired

ratio between imports and exports will be obtained more slowly but with less violent reactions. Therefore it is not anticipated that any radical change in the exchange policy will be made for some time.

Another point in favour of a reasonably rapid recovery is the fact that for the past four years every endeavour has been made to diversify exports instead of, as has been the case up to now, depending almost entirely upon coffee. Thus we find cotton one of the principal items in trade where five years ago it was of negligible importance. This is also true of several other items: citrus fruit, meat and meat products, minerals, and oils. Brazil is thoroughly exploring the possibilities of developing her own iron and steel industry by utilizing the countries extensive ore bodies, thus obviating the necessity of large imports.

The Canadian exporter should not necessarily be discouraged from exporting to Brazil, but he must be willing and in a financial position to wait for payment. At the present time remittance of exchange for imported goods is being made about 45 days after the due date of drafts. It is possible that this period will have to be increased, but, on the other hand, it may be shortened. It is useless to try to sell against letter of credit; this is prohibited. Likewise the exporter should remember that since the importer must pay for the goods on the due date of the draft, whether foreign exchange is available or not, he therefore still demands and expects certain terms of payment—not less than fifteen days and generally thirty days. Except in the case of government purchases (usually ninety days), longer terms are not desirable from the point of view of the exporter.

ITALIAN FOREIGN TRADE, JANUARY TO MAY

J. C. DEPOCAS, ASSISTANT TRADE COMMISSIONER

(One lira equals approximately \$0.052 Canadian)

Milan, June 27, 1938.—The Italian trade statistics for the first five months of 1938 show the value of imports at 4,868,324,000 lire as compared with 5,415,370,000 lire for the corresponding period of 1937; the values of exports are 3,147,994,000 lire and 2,992,049,000 lire respectively. Owing to this decrease in imports and increase in exports, the adverse visible balance was reduced from 2,427,321,000 lire in 1937 to 1,720,330,000 lire in 1938, an improvement of 702,991,000 lire. These figures do not include the trade of Italy with her colonies.

SOURCES OF IMPORTS

The leading supplying countries were Germany with 1,131,557,000 lire; United States, 605,004,000 lire; United Kingdom, 300,498,000 lire; Austria, 189,869,000 lire; British India, 134,560,000 lire; Switzerland, 134,020,000 lire; Czechoslovakia, 127,359,000 lire; and Argentina, 125,384,000 lire.

The leading purchasing countries were Germany with 700,968,000 lire; United States, 314,144,000 lire; United Kingdom, 222,565,000 lire; Switzerland, 184,182,000 lire; Argentina, 183,261,000 lire; France, 129,316,000 lire; and Austria, 100,687,000 lire.

BALANCES OF TRADE

The leading importing countries with favourable balances of trade with Italy were: Germany, 430,589,000 lire; United States, 290,860,000 lire; Austria, 89,182,000 lire; Turkey, 91,140,000 lire; British India, 87,920,000 lire; British Malaya, 84,613,000 lire; United Kingdom, 77,933,000 lire; Roumania, 73,685,000 lire; and Czechoslovakia, 72,369,000 lire.

At May 27, 1938, the values of credits in favour of exporters in the countries having clearing agreements with Italy were:—

	In favour of Italian Exporters Lire	In favour of Foreign Exporters Lire
Belgium	2,779,000	.....
Bulgaria	4,947,000	.....
Czechoslovakia . . . . .	.....	34,803,000
Denmark	16,270,000	.....
Estonia . . . . .	.....	303,000
Finland	249,000	.....
Germany . . . . .	.....	87,168,000
Greece . . . . .	.....	16,892,000
Iceland	2,571,000	.....
Yugoslavia . . . . .	.....	57,540,000
Lettonia	247,000	.....
Lithuania	1,710,000	.....
Norway	2,445,000	.....
Netherlands . . . . .	.....	12,807,000
Poland and Danzig	28,146,000	.....
Portugal . . . . .	.....	32,955,000
United Kingdom . . . . .	.....	100,288,000
Roumania . . . . .	.....	61,297,000
Sweden	18,983,000	.....
Switzerland . . . . .	.....	145,983,000
Turkey . . . . .	.....	43,967,000
Hungary . . . . .	.....	23,503,000

TRADE WITH CANADA

Canada had a favourable balance of trade of 1,919,000 lire as compared with 13,130,000 lire for the corresponding period of 1937. The principal items of import into Italy from Canada were: wheat, 3,311 tons (3,052,000 lire); cellulose, 2,700 tons (6,623,000 lire); raw asbestos, 1,654 tons (3,467,000 lire); and logs, 2,246 tons (1,439,000 lire).

JAPAN'S FOREIGN TRADE, JANUARY TO MARCH

A. K. DOULL, ASSISTANT TRADE COMMISSIONER

(One yen equals approximately 29 cents Canadian)

Tokyo, June 16, 1938.—Japan's total foreign trade for the first three months of 1938 was valued at 1,193,889,061 yen as against 1,708,131,567 yen in the 1937 similar period. Exports were valued at 569,763,091 yen as compared with 701,088,116 yen; imports were valued at 624,125,970 yen as against 1,007,043,451 yen. Japan had thus an unfavourable balance of trade of 54,362,879 yen as compared with an excess of imports during the first quarter of 1937 amounting to 305,955,335 yen.

EXPORTS BY COUNTRIES

Japan's largest volume of exports went to Asiatic countries and was valued at 333,320,624 yen as against 378,580,325 yen. Exports to North America were the next largest, being valued at 90,310,168 yen as against 162,341,928 yen.

Exports to European countries were valued at 62,417,470 yen as against 76,516,257 yen, to Africa at 32,563,988 yen as against 42,587,614 yen, to Oceanic countries at 23,438,712 yen as against 16,098,144 yen, to South America at 20,421,386 yen as against 14,973,358 yen, and to Central America at 7,290,743 yen as against 9,990,490 yen.

EXPORTS BY PRINCIPAL COUNTRIES

The following list shows Japan's twenty best customers during the first three months of 1938 in order of the value of products which were exported to them. The position occupied by each country for the same period of 1937 is also shown:—

Country		Jan.-Mar., 1938 Yen	Jan.-Mar., 1937 Yen	Inc. or Dec. Per Cent
Kwantung Province	(1)	99,477,299	(2) 81,727,422	+21.7
United States	(2)	86,816,211	(1) 157,663,402	-44.9
Manchukuo	(3)	68,417,455	(6) 45,529,604	+50.3
China proper	(4)	52,650,520	(4) 53,435,110	- 1.4
British India	(5)	43,110,213	(3) 61,549,766	-29.9
Great Britain	(6)	30,687,651	(7) 33,214,369	- 7.6
Dutch East Indies	(7)	18,900,293	(5) 46,232,143	-59.1
Australia	(8)	16,491,046	(15) 8,563,048	+92.6
Philippine Islands	(9)	10,433,638	(10) 14,913,847	-30.0
Federation of South Africa	(10)	8,944,954	(14) 9,548,073	- 6.3
France	(11)	8,326,224	(12) 12,179,393	-31.6
Argentina	(12)	7,894,957	(19) 6,048,412	+30.5
Germany	(13)	7,153,033	(13) 10,057,033	-28.8
Siam	(14)	6,753,049	(11) 12,806,787	-47.3
Iraq	(15)	5,271,252	(17) 7,370,792	-28.5
Burma	(16)	4,265,603	(..)	.....
Egypt	(17)	4,265,531	(16) 7,928,736	-46.2
Straits Settlements	(18)	4,133,430	(8) 17,120,659	-75.8
Kenya, Uganda and Tanganyika	(19)	4,128,535	(18) 6,172,385	-33.1
Hongkong	(20)	3,770,661	(9) 15,408,948	-75.5

EXPORTS BY COMMODITIES

THREE PRINCIPAL EXPORTS

Cotton tissues were as usual Japan's largest single export item. Exports of cotton tissues for the first three months of 1938 amounted to 576,959,163 square yards (118,408,828 yen) as against 633,197,203 square yards (129,631,479 yen), a decrease in both quantity and value. Of total exports of cotton tissues 201,632,810 square yards (34,498,624 yen) were classified as "grey," 137,871,535 square yards (25,734,718 yen) as "bleached," and 237,454,818 square yards (58,175,486 yen) as "other."

The largest purchasers of grey cotton tissues were Manchukuo (9,736,755 yen), British India (7,466,194 yen), Kwantung Province (2,782,033 yen), China proper (1,849,179 yen), Australia (1,629,931 yen), Anglo-Egyptian Sudan (1,467,908 yen), and the Dutch East Indies (1,380,553 yen). Bleached cotton tissues were exported chiefly to the Dutch East Indies (4,342,008 yen), Manchukuo (3,650,696 yen), British India (2,739,166 yen), Kwantung Province (2,463,502 yen), China proper (2,033,570 yen), French Morocco (1,663,456 yen), and Siam (1,047,044 yen). Cotton tissues classified as "other" were exported chiefly to Manchukuo (10,584,506 yen), Kwantung Province (6,045,869 yen), Argentina (4,749,900 yen), British India (4,727,734 yen), the Dutch East Indies (2,559,076 yen), Iran (1,835,201 yen), and the Philippine Islands (1,681,972 yen).

Raw silk was Japan's second largest export item and amounted to 98,485 bales (75,242,417 yen) as against 97,497 bales (87,707,107 yen), an increase in quantity although a decrease in value, due to a fall in the price of raw silk. As usual, the United States was the largest purchaser of raw silk from Japan, exports to that country amounting to 75,641 bales (57,016,279 yen) as against 81,270 bales (72,943,501 yen), a decrease in both quantity and value. Among other buyers of Japanese raw silk were Great Britain (8,710,016 yen), France (4,904,941 yen), and Australia (1,763,254 yen).

Exports of raw silk to Canada amounted to only 100 bales valued at 95,800 yen. This is according to Japanese statistics, which do not take into account the fact that Canada buys nearly all her requirements of Japanese raw silk directly from New York, and they are naturally shown as exports of raw silk to the United States in Japanese trade returns. (See "Japan's Trade with Canada," page 140.)

Japan's third largest export was artificial silk tissues, amounting to 89,644,545 square yards (27,092,994 yen) as against 117,524,821 square yards (35,730,314 yen), a decrease in both quantity and value. The largest purchasers of artificial silk tissues were Australia (3,903,910 yen), British India (3,863,449 yen), Kwantung Province (3,286,821 yen), Manchukuo (1,651,510 yen), Philippine Islands (1,263,032 yen), the Dutch East Indies (1,231,646 yen), and China proper (1,074,995 yen).

EXPORT VALUES EXCEEDING 5,000,000 YEN

The following other products were exported to a value exceeding 5,000,000 yen:—

Machinery and parts (24,529,531 yen), chiefly to Kwantung Province, Manchukuo, and China proper; wheat flour (13,315,503 yen), chiefly to China proper and Kwantung Province; silk tissues (12,955,963 yen), chiefly to Great Britain, British India, and the United States; comestibles (10,620,024 yen), chiefly to Great Britain, the United States, Australia, and Kwantung Province; cotton yarns (9,720,283 yen), chiefly to British India, Manchukuo, and the Dutch East Indies; iron manufactures (9,366,732 yen), chiefly to Kwantung Province and Manchukuo; knitted goods (9,340,036 yen), chiefly to Great Britain, the Philippine Islands, British India, and the Federation of South Africa; woollen tissues (9,184,650 yen), chiefly to Kwantung Province, Manchukuo, and China proper; papers (9,074,984 yen), chiefly to Kwantung Province, China proper, and Manchukuo; pottery (7,968,273 yen), chiefly to the United States, Kwantung Province, British India, and Australia; sugar (7,807,225 yen), chiefly to Kwantung Province and China proper; glass (5,817,980 yen), chiefly to British India; lumber (5,730,014 yen), chiefly to Kwantung Province and China proper; and toys (5,600,164 yen), chiefly to Great Britain and the United States.

IMPORTS BY CONTINENTS

Asia was Japan's chief source of supply during the period under review, imports from Asiatic countries being valued at 257,829,735 yen as against 411,548,718 yen.

Imports from North America were valued at 206,726,973 yen as against 291,633,146 yen, from Europe at 110,417,511 yen as against 110,896,033 yen, from Oceanic countries at 19,684,322 yen as against 73,345,362 yen, and from African countries at 14,162,496 yen as against 71,512,270 yen.

Imports from South America fell from 41,232,244 yen in the 1937 similar period to 12,649,356 yen during the period under review, and those from Central America were valued at 2,655,577 yen as against 6,875,678 yen.

PRINCIPAL SOURCES OF SUPPLY

The following list shows Japan's twenty largest suppliers during the first three months of 1938 in order of the value of products which were imported from them. The position of each country during the same period of 1937 is also shown:—

Country	Jan.-Mar., 1938		Jan.-Mar., 1937		Inc. or Dec. Per Cent
		Yen		Yen	
United States	(1)	183,480,827	(1)	270,223,249	-32.1
Manchukuo	(2)	103,939,601	(3)	75,064,451	+38.4
Germany	(3)	49,880,915	(6)	40,394,642	+23.5
British India	(4)	39,583,453	(2)	171,551,214	-76.9
Dutch East Indies	(5)	29,661,929	(7)	35,533,418	-16.5
China proper	(6)	27,663,184	(4)	55,007,475	-49.7
Great Britain	(7)	24,157,202	(10)	27,995,099	-13.7
Canada	(8)	23,245,140	(12)	21,401,279	+ 8.6
Australia	(9)	16,209,800	(5)	46,906,084	-65.4
Straits Settlements	(10)	15,305,292	(13)	20,659,527	-25.9
Kwantung Province	(11)	14,353,610	(17)	10,019,106	+43.2
Egypt	(12)	9,390,411	(8)	33,359,879	-71.8
Sweden	(13)	8,699,758	(18)	8,510,598	+ 2.2
Philippine Islands	(14)	8,341,484	(16)	11,414,699	-26.9
Argentina	(15)	6,483,805	(15)	16,212,775	-60.0
French Indo-China	(16)	5,318,409	(20)	8,050,765	-33.9
Belgo-Luxemburg Economic Union	(17)	4,895,884	(22)	5,771,070	-15.1
Norway	(18)	4,592,855	(24)	4,669,729	- 1.6
British Borneo	(19)	4,292,418	(27)	3,560,711	+20.5
France	(20)	4,011,104	(23)	5,257,371	-23.7

IMPORTS BY COMMODITIES

FIVE CHIEF IMPORTS

Raw cotton has during many years been Japan's largest single import, but since July of last year imports of metals have not been shown separately but only in total, so now metals must be considered Japan's largest import.

Imports of ores and metals were valued at 151,594,245 yen as against 115,166,214 yen in the 1937 similar period. In the first three months of 1937 imports of ores and metals, as mentioned above, were valued at 115,166,214 yen, of which amount imports of lead were valued at 11,120,932 yen, copper at 14,047,942 yen, pig iron at 9,364,057 yen, ores at 9,362,240 yen, "other" iron at 39,582,282 yen, aluminium at 1,122,810 yen, tin at 7,876,614 yen, zinc at 3,639,178 yen, and nickel at 4,143,560 yen.

Raw cotton comes next and amounted to 197,349,504 pounds (73,809,415 yen) as against 746,746,440 pounds valued at 345,474,096 yen, a heavy decrease in both quantity and value. This decrease is due to the Government's policy of restricting imports and also to decreased production of cotton textiles for home consumption and the substitution of staple fibre in place of cotton. The United States, which, with the exception of British India last year, has always been the largest supplier of raw cotton to Japan, was most seriously affected by this decrease. Imports of raw cotton from the United States were valued at only 29,780,183 yen as against 137,361,185 yen in the 1937 similar period, a decrease of 107,581,002 yen. British India suffered even more, imports from that country being valued at only 22,066,835 yen as against 155,144,428 yen, a decrease of 133,077,593 yen. Imports from China (11,961,579 yen) were about the same as during the 1937 similar period, while imports from Egypt were valued at only 5,918,579 yen as against 31,286,486 yen, a decrease of 25,367,907 yen.

Mineral oil would probably be in third place, but statistics are no longer given for this product and it is shown under the item "other oils, fats, waxes, and manufactures thereof." As, however, during the first quarter of 1937, when imports of crude and heavy oil and mineral oil under 0.8762 S.G. were valued at more than 50,000,000 yen and "other oils, fats, etc.," at only 566,444 yen, it is estimated that, as during the period under review imports of "other oils, etc." were valued at 60,489,067 yen, practically all of this was mineral oil.

Beans place fourth among Japan's imports during the period under review and were valued at 40,180,697 yen as against 37,032,814 yen. About 99 per cent of these beans came from Manchukuo. Imports of oilcake were fifth and were valued at 22,467,808 yen as against 14,441,904 yen. Manchukuo was the largest supplier of oilcake to Japan.

Imports of "all types of machinery" (including automobiles and parts, which are no longer shown separately in the trade returns) and scientific instruments were valued at 73,410,448 yen as against 52,969,064 yen, an increase of 20,441,384 yen.

VALUES EXCEEDING 1,000,000 YEN

The following other products were imported to a value exceeding 1,000,000 yen:—

Cellulose pulp (20,142,077 yen), chiefly from the United States, Sweden, Norway, Canada, and Finland; rubber (16,087,334 yen), chiefly from the Straits Settlements and the Dutch East Indies; sheep's wool (14,747,463 yen), chiefly from Australia; coal (12,633,825 yen), chiefly from China proper, Manchukuo, and French Indo-China; sulphate of ammonia (10,355,109 yen), chiefly from Germany and Kwantung Province; oil-yielding materials (9,245,815 yen), chiefly from Manchukuo and China proper; hides and skins (7,596,943 yen), chiefly from Argentina and the United States; lumber (5,981,074 yen),

chiefly from the United States, the Philippine Islands, British Borneo, and Canada; "other" vegetable fibres (5,870,773 yen), chiefly from the Philippine Islands; phosphorite (5,852,166 yen), chiefly from Egypt, the Straits Settlements, and the United States; sugar (4,020,176 yen), chiefly from the Dutch East Indies; wheat (2,724,235 yen), chiefly from Australia; wheat bran (2,623,955 yen), chiefly from Manchukuo; woollen tissues (2,472,288 yen), chiefly from Great Britain; fresh beef (1,515,895 yen), chiefly from China proper and Australia; and watches and parts (1,315,832 yen), chiefly from Switzerland.

SUMMARY OF THE FOREIGN TRADE OF JAPAN

The following is a summary of Japan's foreign trade for the first three months of 1938 and 1937:—

	Jan.-Mar., 1938 Yen	Jan.-Mar., 1937 Yen	Decrease Per Cent
Imports	624,125,970	1,007,043,451	38.0
Exports	569,763,091	701,088,116	18.7
Total	1,193,889,061	1,708,131,567	30.1
Excess of imports	54,362,879	305,955,335	82.2

PRINCIPAL EXPORTS AND IMPORTS

The following table shows Japan's chief exports and imports for the first three months of 1938 and 1937, together with the percentage increase or decrease as against 1937:—

Principal Exports from Japan

	Jan.-Mar., 1938 Yen	Jan.-Mar., 1937 Yen	Inc. or Dec. Per Cent
Cotton tissues—			
Other	58,175,486	69,251,449	— 16.0
Grey	34,498,624	32,437,981	+ 6.3
Bleached	25,734,718	27,942,049	— 7.9
Raw silk	75,242,417	87,707,107	— 14.2
Artificial silk tissues	27,092,994	35,730,314	— 24.2
Machinery and parts	24,529,531	23,611,118	+ 3.9
Wheat flour	13,315,503	3,226,386	+312.7
Silk tissues	12,955,963	16,681,281	— 22.3
Comestibles	10,620,024	18,892,606	— 43.8
Cotton yarns	9,720,283	9,784,410	— 0.6
Iron manufactures	9,366,732	10,870,105	— 13.8
Knitted goods	9,340,036	11,630,156	— 19.7
Woollen tissues	9,184,650	10,522,268	— 12.7
Paper	9,074,984	8,177,602	+ 11.0
Pottery	7,968,273	10,392,923	— 23.2
Sugar	7,807,225	4,807,773	+ 62.4
Glass	5,817,980	7,458,806	— 22.0
Lumber	5,730,014	5,529,634	+ 3.6
Toys	5,600,164	7,848,685	— 28.6

Principal Imports into Japan

	Jan.-Mar., 1938 Yen	Jan.-Mar., 1937 Yen	Inc. or Dec. Per Cent
Ores and metals	151,594,245	115,166,214	+ 31.6
Raw cotton	73,809,415	345,474,096	— 78.6
Beans and peas	40,180,697	37,032,814	+ 8.5
Oilcake	22,467,808	14,441,904	+ 55.6
Cellulose pulp	20,142,077	18,176,034	+ 10.8
Rubber	16,087,334	33,440,571	— 51.9
Sheep's wool	14,747,463	115,922,427	— 87.3
Coal	12,633,825	13,480,717	— 6.3
Sulphate of ammonia	10,355,109	4,386,719	+136.0
Oil yielding materials	9,245,815	18,030,348	— 48.7
Hides and skins	7,596,943	9,169,817	— 17.1
Lumber	5,981,074	9,645,433	— 38.0
Other vegetable fibres	5,870,773	11,741,591	— 50.0
Phosphorite	5,852,166	4,137,952	+ 41.4
Sugar	4,020,176	3,361,108	+ 19.6
Wheat	2,724,235	11,222,436	— 75.7
Wheat bran	2,623,955	2,978,709	— 11.9
Woollen tissues	2,472,288	4,286,152	— 42.3

JAPAN'S TRADE WITH CANADA

Japan's total trade with Canada during the first three months of 1938 was valued at 26,726,143 yen as against 26,068,027 yen in the 1937 similar period, an increase of 658,116 yen. Exports to Canada were valued at 3,481,003 yen as compared with 4,636,748 yen, a decrease of 1,155,745 yen; and imports from Canada at 23,245,140 yen as against 21,401,279 yen, an increase of 1,843,861 yen.

Japan had thus an unfavourable balance of trade with the Dominion during the period under review amounting to 19,764,137 yen as against an excess of imports in the 1937 period of 16,734,531 yen. This is according to Japanese statistics, which do not, of course, show indirect exports to Canada of such products as raw silk, which is purchased through New York. If Canada's purchases of raw silk were taken into account, Japan's unfavourable balance of trade with Canada would be considerably reduced.

According to the returns of the Dominion Bureau of Statistics, Canada's imports of "silk cocoons, raw silk, not more advanced than singles, not to include material wholly or partly degummed," for the period January to March, inclusive, 1938, totalled 670,833 pounds (\$1,131,056) as compared with 659,430 pounds (\$1,354,192) for the corresponding period of 1937. Imports from Japan in the respective periods were 11,985 pounds (£25,172) and 43,944 pounds (\$87,620), and from the United States 653,453 pounds (\$1,097,017) and 614,729 pounds (\$1,265,058).

EXPORTS TO CANADA

Japan's largest export to Canada is raw silk, but as has been mentioned above, this product is imported into Canada largely from the United States and is therefore shown in the Japanese statistics as an export to the United States. According to Japanese statistics, direct exports of raw silk to Canada amounted to only 100 bales (95,800 yen) during the period under review; but according to figures of the Dominion Bureau of Statistics, the value of the importations from Japan into the Dominion was more than \$1,000,000.

Next to raw silk, Japan's chief exports to Canada during the period under review were artificial silk tissues, toys, pottery, and rice.

Exports of artificial silk tissues to Canada were valued at 336,471 yen as against 300,664 yen. Exports of toys were valued at 267,446 yen as against 300,867 yen. Canada was the sixth largest purchaser of toys from Japan.

Exports of pottery to Canada were valued at 240,844 yen as against 515,084 yen, and of rice at 153,025 yen as against 179,627 yen. Canada was the largest purchaser of rice from Japan during the three months under review.

Other important exports to Canada were as follows: lamps and parts (75,008 yen); silk tissues (67,180 yen); tea (36,750 yen); brushes (33,307 yen); buttons (30,149 yen); menthol crystals (24,938 yen); silk handkerchiefs (22,902 yen); and beans (11,035 yen).

IMPORTS FROM CANADA

As metals are no longer shown separately in Japanese statistics, it is not possible to give Japanese figures of imports of nickel, lead, aluminium and zinc.

One of Japan's largest imports from Canada during the period under review was cellulose pulp valued at 1,949,668 yen as against 1,414,584 yen, an increase of 535,084 yen. Practically all of this pulp was for rayon manufacture.

Imports of lumber from Canada were valued at 439,694 yen as against 3,316,549 yen, a decrease of 2,876,855 yen. Total imports of lumber decreased in value by approximately 4,000,000 yen, Canada being the largest loser in this trade, due chiefly to the high price of Canadian lumber. It is possible that there will be no further licences issued this year for Canadian or United States lumber.

Canada, which has always been the largest supplier of newsprint to Japan, continued to hold this position during the period under review, but the value of imports decreased from 892,686 yen in the 1937 period to 284,530 yen. As is the case with practically all imports not needed for war material purposes, this decrease was due to the Government's unwillingness to grant import permits.

The value of imports of wheat from Canada was nil during the period under review as against 1,758,119 yen in the 1937 period. In this connection it is of interest to note that the value of imports from Australia decreased from 7,039,491 yen to 692,503 yen, and for Argentina from 1,318,417 yen to 245,431 yen. In fact the major portion of wheat came from "other" countries, chiefly Manchukuo, which in former years has not been a large supplier of wheat to this market.

WHEAT SITUATION

According to information supplied by some of the larger wheat importers, the Government at the present time will not issue licences for the import of Canadian wheat. If Canada has, however, a large crop with a consequent fall in price, it is anticipated that Canadian wheat will move to Japan again this year.

Japan is actually self-sufficient as far as wheat for home consumption purposes is concerned, but requires hard and semi-hard wheat from abroad for the manufacture of flour for export purposes and of high-grade flour for her own purposes. However, during the present crisis the Government considers that quality must be sacrificed in order to curtail the outflow of exchange.

Present indications are that the 1938 Japanese wheat crop will amount to 50,000,000 bushels, which is slightly more than last year's record crop. Up to 1931 Japan did not attach much importance to the production of wheat, but when exchange fell foreign wheat became so expensive that the Government decided to embark on a five-year wheat plan. This plan has now been completed and another five-year wheat plan is proposed.

Manchukuo, which produces annually about 33,000,000 bushels of wheat, of which about 450,000 bushels is exported, also has a five-year plan under way by which it is expected that production will be increased to 75,000,000 bushels a year.

Despite large Japanese and Manchukuo crops this year, importers, as mentioned above, are of the opinion that, provided the Government gives permission and Canadian prices are attractive, Canadian wheat will continue to be imported. Similarly no Canadian flour is coming in at present, due to the fact that importers are unable to obtain permits. Actually the only large purchaser of Canadian flour during the last several years has been one company which imported the Canadian product on account of its high gluten content.

At present this company is experimenting with the soya bean as a source of supply for gluten, with considerable success. Manchukuo and Argentine wheat have also been used by this firm. The latter country has been accorded preference over Canada in wheat imports owing to its balance of trade with Japan being more favourable.

SUMMARY OF JAPAN'S TRADE WITH CANADA, JANUARY TO MARCH, 1938 AND 1937

The following is a summary of Japan's total trade with Canada for the first three months of 1938 and 1937:—

	Jan.-Mar., 1938 Yen	Jan.-Mar., 1937 Yen	Inc. or Dec. Per Cent
Imports	23,245,140	21,401,279	+ 8.6
Exports	3,481,003	4,666,748	-25.4
Total trade	26,726,143	26,068,027	+ 2.5
Excess of imports	19,764,137	16,734,531	+18.1

CHIEF EXPORTS AND IMPORTS

The following table shows Japan's chief exports to and imports from Canada for the first three months of 1938 and 1937, together with percentages of increase or decrease as compared to the corresponding period in 1937:—

Principal Exports to Canada

	Jan.-Mar., 1938	Jan.-Mar., 1937	Inc. or Dec.
	Yen	Yen	Per Cent
Artificial silk tissues	336,471	300,664	+ 11.9
Toys	267,446	300,867	— 11.1
Pottery	240,844	515,084	— 53.2
Rice	153,025	179,627	— 14.8
Raw silk ¹	95,800	255,570	— 62.5
Lamps and parts	75,008	169,782	— 55.8
Silk tissues	67,180	82,044	— 18.1
Tea	36,750	122,815	— 70.1
Brushes	33,307	36,975	— 9.9
Buttons	30,149	24,266	+ 24.2
Menthol crystals	24,938	41,340	— 39.7

¹ Direct exports only.

Principal Imports from Canada

	Jan.-Mar., 1938	Jan.-Mar., 1937	Inc. or Dec.
	Yen	Yen	Per Cent
Cellulose pulp	1,949,668	1,414,584	+ 37.8
Lumber	439,694	3,316,549	— 86.7
Newsprint	284,530	892,686	— 68.1
Fresh beef	6,434	55,060	— 88.3
Wheat . . . . .	.....	1,758,119	....

Statistics of imports of nickel, lead, zinc and aluminium are not available.

TARIFF CHANGES AND CUSTOMS REGULATIONS

New Zealand

NET WEIGHTS ON INVOICES

The New Zealand Comptroller of Customs advises that there is no general regulation requiring invoices for goods imported into New Zealand to show gross or net weights. Importers, however, are required to supply information for statistical purposes when entering goods, and it is therefore a great convenience to importers if net weights in certain cases are shown on the invoices by overseas suppliers. For example, the net weight in cwts. of papers is required. The New Zealand cwt. is 112 pounds.

British India

TARIFF REDUCTIONS ON WOOD-PULP AND PAPERS

Mr. Paul Sykes, Canadian Trade Commissioner at Calcutta, has forwarded a copy of a British India Department of Commerce notification, dated June 25, 1938, which reduces the duty on wood-pulp, Item No. 43, from 56½ rupees per ton of 2,240 pounds to 45 rupees (\$16.65) per ton. The rate on "printing paper (excluding chrome, flint, poster, and stereo), all sorts, which contain no mechanical wood-pulp or in which the mechanical wood-pulp amounts to less than 70 per cent of the fibre content," Item No. 44 (1), has been reduced from one anna and three pies per pound to one anna per pound (\$2.30 per 100 pounds). The duty on Item No. 44 (3)a, "writing paper, ruled or printed

forms (including letter paper with printed headings), and account and manuscript books and the binding thereof" has been reduced from one anna and three pies per pound, with a minimum alternative rate of $18\frac{3}{4}$ per cent ad valorem, to one anna per pound, with a minimum rate of 15 per cent ad valorem. A like reduction has been made on "writing paper, other sorts," Item 44 (3)b, but no minimum ad valorem rate is levied.

The rupee (16 annas) equals 37 cents Canadian at prevailing exchange rates; one anna equals 12 pies.

United States

CHANGE IN \$100 EXEMPTION FOR TOURISTS' GOODS

The provision in the United States Tariff Act of 1930 with respect to exemption from duty of tourist purchases was altered by a section in an Act approved June 25, 1938, and effective thirty days thereafter. The amended regulation is as follows:—

That up to but not exceeding \$100 in value of articles (including distilled spirits, wines, and malt liquors aggregating not more than one wine gallon and including not more than one hundred cigars) acquired abroad by such residents of the United States as an incident of the foreign journey for personal or household use or as souvenirs or curios, but not bought on commission or intended for sale, shall be free of duty: *Provided*, That (a) in the case of articles acquired in any country other than a contiguous country which maintains a free zone or free port, the exemption authorized by the preceding proviso shall apply only to articles so acquired by a returning resident who has remained beyond the territorial limits of the United States for a period of not less than forty-eight hours and (b) in the case of articles acquired in a contiguous country which maintains a free zone or free port, the Secretary of the Treasury shall by special regulation or instruction, the application of which may be restricted to one or more individual ports of entry, provide that the exemption authorized by the preceding proviso shall be applied only to articles acquired abroad by a returning resident who has remained beyond the territorial limits of the United States for not less than such period (which period shall not exceed twenty-four hours) as the Secretary may deem necessary in the public interest or to facilitate enforcement at the specified port or ports of the requirement that the exemption shall apply only to articles acquired as an incident of the foreign journey: *Provided further*, That the exemption authorized by the second preceding proviso shall apply only to articles declared in accordance with regulations to be prescribed by the Secretary of the Treasury by a returning resident who has not taken advantage of the said exemption within the thirty-day period immediately preceding his return to the United States: *Provided further*, That no such special regulation or instruction shall take effect until the lapse of ninety days after the date of such special regulation or instruction: *And provided further*, That all articles exempted by this paragraph from the payment of duty shall also be exempt from the payment of any internal-revenue taxes.

AMENDMENT OF MARKING REGULATIONS

The United States "Customs Administrative Act, 1938," approved June 25, 1938, and effective thirty days thereafter, amends section 304 in the United States Tariff Act, 1930, relating to the marking of imported articles. Section 304 as amended reads:—

304 (a) *Marking of Articles*.—Except as hereinafter provided, every article of foreign origin (or its container, as provided in subsection (b) hereof) imported into the United States shall be marked in a conspicuous place as legibly, indelibly, and permanently as the nature of the article (or container) will permit in such manner as to indicate to an ultimate purchaser in the United States the English name of the country of origin of the article. The Secretary of the Treasury may by regulations (1) determine the character of words and phrases or abbreviations thereof which shall be acceptable as indicating the country of origin and prescribe any reasonable method of marking, whether by printing, stencilling, stamping, branding, labelling, or by any other reasonable method, and a conspicuous place on the article (or container) where the marking shall appear; (2) require the addition of any other words or symbols which may be appropriate to prevent deception or mistake as to the origin of the article or as to the origin of any other article with which such imported article is usually combined subsequent to importation but before delivery to an ultimate

purchaser; and (3) authorize the exception of any article from the requirements of marking if (a) such article is incapable of being marked; (b) such article cannot be marked prior to shipment to the United States without injury; (c) such article cannot be marked prior to shipment to the United States except at an expense economically prohibitive of its importation; (d) the marking of a container of such article will reasonably indicate the origin of such article; (e) such article is a crude substance; (f) such article is imported for use by the importer and not intended for sale in its imported or any other form; (g) such article is to be processed in the United States by the importer or for his account otherwise than for the purpose of concealing the origin of such article and in such manner that any mark contemplated by this section would necessarily be obliterated, destroyed, or permanently concealed; (h) an ultimate purchaser, by reason of the character of such article or by reason of the circumstances of its importation must necessarily know the country of origin of such article even though it is not marked to indicate its origin; (i) such article was produced more than twenty years prior to its importation into the United States; or (j) such article is of a class or kind with respect to which the Secretary of the Treasury has given notice by publication in the weekly Treasury Decisions within two years after July 1, 1937, that articles of such class or kind were imported in substantial quantities during the five-year period immediately preceding January 1, 1937, and were not required during such period to be marked to indicate their origin: Provided, that this subdivision (j) shall not apply after September 1, 1938, to sawed lumber and timbers, telephone, trolley, electric light, and telegraph poles of wood, and bundles of shingles; but the President is authorized to suspend the effectiveness of this proviso if he finds such action required to carry out any trade agreement entered into under the authority of the Act of June 12, 1934 (U.S.C., 1934 edition, title 19, secs. 1351-1354), as extended.

(b) *Marking of Containers.*—Whenever an article is excepted under subdivision (3) of subsection (a) of this section from the requirements of marking, the immediate container, if any, of such article, or such other container or containers of such article as may be prescribed by the Secretary of the Treasury, shall be marked in such manner as to indicate to an ultimate purchaser in the United States the English name of the country of origin of such article, subject to all provisions of this section, including the same exceptions as are applicable to articles under subdivision (3) of subsection (a). If articles are excepted from marking requirements under clauses (f), (g), or (h) of subdivision (3) of subsection (a) of this section their usual container shall not be subject to the marking requirements of this section. Usual containers in use as such at the time of importation shall in no case be required to be marked to show the country of their own origin.

(c) *Additional Duties for Failure to Mark.*—If at the time of importation any article (or its container, as provided in subsection (b) hereof) is not marked in accordance with the requirements of this section, and if such article is not exported or destroyed or the article (or its container, as provided in subsection (b) hereof) marked after importation in accordance with the requirements of this section (such exportation, destruction, or marking to be accomplished under customs supervision prior to the liquidation of the entry covering the article, and to be allowed whether or not the article has remained in continuous customs custody), there shall be levied, collected, and paid upon such article a duty of 10 per centum ad valorem, which shall be deemed to have accrued at the time of importation, shall not be construed to be penal, and shall not be remitted wholly or in part nor shall payment thereof be avoidable for any cause. Such duty shall be levied, collected, and paid in addition to any other duty imposed by law and whether or not the article is exempt from the payment of ordinary customs duties. The compensation and expenses of customs officers and employees assigned to supervise the exportation, destruction, or marking to exempt articles from the application of the duty provided for in this subsection shall be reimbursed to the Government by the importer.

(d) *Delivery Withheld Until Marked.*—No imported article held in customs custody for inspection, examination, or appraisal shall be delivered until such article and every other article of the importation (or their containers) whether or not released from customs custody, shall have been marked in accordance with the requirements of this section or until the amount of duty estimated to be payable under subsection (c) of this section has been deposited. Nothing in this section shall be construed as excepting any article (or its container) from the particular requirements of marking provided for in any other provision of law.

(e) *Penalties.*—If any person shall, with intent to conceal the information given thereby or contained therein, deface, destroy, remove, alter, cover, obscure, or obliterate any mark required under the provisions of this Act, he shall, upon conviction, be fined not more than \$5,000 or imprisoned not more than one year, or both.

Netherlands

IMPORT QUOTAS ON PAPER AND PAPER PRODUCTS

Mr. J. A. Langley, Canadian Trade Commissioner at Rotterdam, writes that a Netherlands royal decree of June 27, 1938, continues restrictions on importation of paper and paper products (see *Commercial Intelligence Journal* No. 1747: July 24, 1937, page 176). Imports from each exporting country during the period from July 1, 1938, to June 30, 1939, inclusive, are fixed by the following percentages of the average gross weight imported per twelve months during the years 1933 and 1934: printing and writing paper, wrapping and felt paper, fancy paper, envelopes and paper bags, office and writing books, 50 per cent (previous quota 80 per cent); wallpaper, 90 per cent; cellophane and similar transparent paper and products thereof, 100 per cent of gross weight imported during 1933 (the previous quotas were the same). During the period from July 1, 1938, to December 31, 1938, inclusive, imports of unspecified paper products shall be limited to 50 per cent of the average gross weight imported from each exporting country per six months during the years 1933 and 1934; the previous quota was 80 per cent.

The import restrictions on asphalt roofing paper have been abolished as from July 1, 1938.

A certificate of origin is required for entry of the above commodities.

The Ministry of Economic Affairs may grant special quotas to designated countries. Specified paper and paper products are exempt from quota restrictions.

Belgium

DUTY ON RUBBER BOOTS AND SHOES

Referring to the note published in *Commercial Intelligence Journal* No. 1784 (April 9, 1938), page 535, relating to the Belgian duty on rubber footwear, Mr. Maurice Bélanger, Acting Trade Commissioner in Brussels, advises that under a decree published in the *Moniteur Belge* of July 1, the duty on some of these items has again been changed.

The duty on goloshes is reduced from 700 to 460 francs per 100 kilograms (\$10.70 to \$7 per 100 pounds). The rate on men's rubber boots is reduced from 700 to 500 francs per 100 kilograms (\$10.70 to \$7.65 per 100 pounds), while the rate for women's and children's rubber boots, as well as all sizes of canvas shoes with rubber soles, remains at 700 francs per 100 kilograms (\$10.70 per 100 pounds). The duty on bathing shoes is unchanged at 460 francs per 100 kilograms (\$7 per 100 pounds).

The new rates are effective as from July 1, 1938.

Italy

IMPORT RESTRICTIONS

With further reference to the notices concerning import restrictions in Italy which appeared in *Commercial Intelligence Journal* No. 1794 (June 18, 1938) page 986, and No. 1796 (July 2, 1938), page 34, Mr. J. C. Deporas, Assistant Canadian Trade Commissioner at Milan, writes that, as from July 1, 1938, imports which were formerly permitted on the basis of a percentual quota of the imports of 1934 will be subject to ministerial licence when purchased from countries which have not signed special trade agreements with Italy. Canada has no such special agreement.

Manufactures of paper and of cardboard require import permits, but it is understood that it is not necessary to produce the licence for containers of paper or cardboard when they contain imported products.

Sweden

FLOUR-MILLING REGULATIONS

With reference to the notice in *Commercial Intelligence Journal* No. 1792 (June 4, 1938), page 921, Mr. Richard Grew, Canadian Trade Commissioner at Oslo, advises under date June 28 that, in accordance with a Swedish royal resolution of June 17, 1938, the percentage of Swedish wheat which must be mixed with the imported product during the milling period July 1 to August 31, 1938, will remain unchanged at 90 in the case of the total milling percentage and at 80 in the case of the so-called minimum percentage permitted for the individual lots milled.

North China

SURTAX ON DUTY

With reference to the notices in *Commercial Intelligence Journal* No. 1795 (June 25, 1938), page 1047, and No. 1797 (July 9, 1938), page 65, Mr. M. T. Stewart, Acting Canadian Trade Commissioner at Shanghai has forwarded a copy of Customs Notification No. 4, dated Shanghai, June 10, 1938, stating that "in order to dispel any misunderstanding, the public is hereby notified that the flood relief surtax is still in force as heretofore". Mr. Stewart advises that the total surtax now in force is 10 per cent of the duty payable, comprising a 5 per cent tax to be used for food relief and a 5 per cent tax to be used for the relief of war-distressed areas.

Manchukuo

TEMPORARY SUSPENSION OF DUTY ON WHEAT FLOUR

Mr. C. M. Croft, Commercial Secretary, Canadian Legation, Tokyo, writes that an order passed under Article 1 of the Trade Control Act and gazetted on May 26, 1938, provides that no import duty shall be payable on wheat flour to be imported into Manchukuo prior to September 15, 1938, but that imports remain subject to exchange control restrictions.

TENDERS INVITED

New Zealand

Copies of specifications have been received from Mr. W. F. Bull, Canadian Trade Commissioner at Auckland, New Zealand, for equipment required by the Public Works Department, Wellington. These specifications are open for inspection at the Department of Trade and Commerce, Ottawa. Tenders should be addressed to the Secretary, Public Works Supplies and Tenders Committee, Wellington, in accordance with these specifications.

Particulars are as follows:—

Public Works Department.—Section 609, Arapuni Scheme: fifty KV. outdoor steelwork and switchgear with all necessary insulators, to specifications and drawings (tenders close November 1, 1938). Section 459, Mangahao Scheme: equipment for the remote supervisory control of apparatus and transmission of meter impulses, to specification and drawing (tenders close November 1, 1938). Section 146, Waitaki Scheme: indoor switchgear and control equipment to specification and drawings (tenders close November 15, 1938). Section 458, Mangahao Scheme: four single-phase double-wound units, each 3,333 KVA. 110,000 volts/6,350 volt; outdoor type oil-immersed self-cooled and tap changing on-load, to specification and drawings (tenders close November 8, 1938).

FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING JULY 18, 1938

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, July 18, 1938, and for the week ending Monday, July 11, 1938, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending July 11	Nominal Quotations in Montreal Week ending July 18	Official Bank Rate
Austria	Schilling	.1407	. . . . .	. . . . .	—
Belgium	Belga	.1001	\$.1704	\$.1701	3
Bulgaria	Lev	.0072	.0126	.0124	6
Czechoslovakia	Koruna	.0296	.0349	.0347	3
Denmark	Krone	.2680	.2217	.2210	4
Finland	Markka	.0252	.0220	.0218	4
France	Franc	.0392	.0278	.0277	2½
Germany	Reichsmark	.2382	.4048	.4040	4
Great Britain	Pound	4.8666	4.9650	4.9519	2
Greece	Drachma	.0130	.0091	.0091	6
Holland	Guilder	.4020	.5543	.5532	2
Hungary	Pengo	.1749	.2996	.2987	4
		Unofficial	.1990	.1977	—
Italy	Lira	.0526	.0530	.0529	4½
Yugoslavia	Dinar	.0176	.0235	.0234	5
Norway	Krone	.2680	.2495	.2488	1½
Poland	Zloty	.1122	.1896	.1895	4½
Portugal	Escudo	.0442	.0451	.0450	4-4½
Roumania	Leu	.0060	.0074	.0073	3½
Spain	Peseta	.1930	.0574	.0586	5
Sweden	Krona	.2680	.2560	.2552	2½
Switzerland	Franc	.1930	.2300	.2302	1½
United States	Dollar	1.0000	1.0075	1.0056	1
Mexico	Peso	.4985	.2009	.2023	3
Cuba	Peso	1.0000	1.0068	1.0049	—
Guadeloupe	Franc	.0392	.0278	.0277	—
Jamaica	Pound	4.8666	4.9750	4.9620	—
Martinique	Franc	.0392	.0278	.0277	—
Other British West Indies	Dollar	1.0138	1.0267	1.0316	—
Argentina	Peso (Paper)	.4245	.3312	.3302	3½
		Unofficial	.2614	.2610	—
Brazil	Milreis (Paper)	.1193	.0589	.0588	—
British Guiana	Dollar	1.0138	1.0267	1.0316	—
Chile	Peso	.1217	.0521	.0520	3-4½
		Unofficial	.0403	.0402	—
Colombia	Peso	.9733	.5692	.5666	4
Peru	Sol	.2800	.2317	.2313	6
Venezuela	Bolivar	.1930	.3023	.3117	—
Uruguay	Peso	1.0342	.6508	.6517	—
South Africa	Pound	4.8666	4.9591	4.9458	3½
Egypt	Pound (100 Piastres)	4.9431	5.0880	5.0784	—
China (Shanghai)	Dollar	. . . . .	.0521	.1835	—
Hongkong	Dollar	. . . . .	.3098	.3089	—
India	Rupce	.3650	.3701	.3694	3
Japan	Yen	.4985	.2893	.2887	3.29
Java	Guilder	.4020	.5555	.5533	—
Siam	Baht (Tical)	.4424	.4554	.4535	—
Straits Settlements	Dollar	.5678	.5790	.5775	—
Australia	Pound	4.8666	3.9725	3.9616	3
New Zealand	Pound	4.8666	4.0037	3.9934	2

The Dominion Bureau of Statistics has supplied the following note:—

The Canadian dollar continued to show steady strength and further decreases occurred in Montreal rates on sterling and the United States dollar during the week ended July 18. Sterling was relatively steadier than for any corresponding period in the past month, although the closing rate of \$4.9519 was the lowest of the current decline dating from June 15. The premium on New York funds was further reduced from $\frac{3}{4}$ to $\frac{1}{16}$ of 1 per cent. French francs have declined also in recent weeks, and the July 18 rate of 2.776 cents compared with a post-devaluation level of 2.82 cents early in May.

TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

Secretary, Board of Trade—

Saint John, N.B.
Halifax, N.S.
Quebec, P.Q.
Montreal, P.Q.
Toronto, Ont.
Chatham, Ont.

Brantford, Ont.
Kitchener, Ont.
Stratford, Ont.
Woodstock, Ont.
St. Mary's, Ont.
Portage la Prairie, Man.

St. Boniface, Man.
Winnipeg, Man.
Vancouver, B.C.
New Westminster, B.C.

Secretary, Chamber of Commerce—

Sherbrooke, P.Q.
Kingston, Ont.
Oshawa, Ont.
Belleville, Ont.

Peterborough, Ont.
London, Ont.
St. Catharines, Ont.
Hamilton, Ont.

Victoria, B.C.
Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

Secretary, Canadian Manufacturers Association—

Toronto, Ont.
Montreal, P.Q.

Winnipeg, Man.
Edmonton, Alta.

Vancouver, B.C.
Victoria, B.C.

Director, Trade Extension, Victoria, B.C.

Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.

Commodity	No.	Location of Inquirer	Purchase or Agency
Foodstuffs—			
Toffee and Chocolates.....	418	Colombo, Ceylon.....	Purchase or Agency.
Miscellaneous—			
Shoes, Rubber-soled and Canvas.	419	Bridgetown, Barbados.....	Agency.
Kraft Paper Bags.....	420	Port of Spain, Trinidad...	Purchase and Agency.
Washing Machines (Electric)....	421	Rochdale, Lancashire, England.....	Purchase or Agency.
Wood for Manufacture of Brooms	422	Cairo, Egypt.....	Purchase.
Gline.....	423	London, England.....	Agency.
Isinglass.....	424	New York City, New York	Purchase.
Sodium Cyanide.....	425	Auckland, New Zealand...	Agency.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Montreal

To Liverpool.—Duchess of York, July 29 and Aug. 21; Duchess of Richmond, Aug. 5; Duchess of Bedford, Aug. 10; Montrose, Aug. 16; Duchess of Atholl, Aug. 26—all Canadian Pacific; Antonia, July 29; Andania, Aug. 12—both Cunard-White Star Line.

To London.—Beaverburn, July 29; Beaverville, Aug. 5; Beaverford, Aug. 12; Beaverbrae, Aug. 19; Beaverhill, Aug. 26—all Canadian Pacific; Antonia, July 29; Ausonia, Aug. 5; Alannia, Aug. 12; Aurania, Aug. 19—all Cunard-White Star Line; Ornefjell, July 27; Carmelfjell, Aug. 10; Tindefjell, Aug. 24—all Fjell Line.

To Manchester.—Manchester Citizen, July 28; Manchester Regiment, Aug. 4; Manchester Division, Aug. 11; Manchester Port, Aug. 18—all Manchester Line.

- To Southampton*.—Duchess of Richmond, Canadian Pacific, Aug. 24.
- To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea*.—Bristol City, Aug. 3; New York City, Aug. 22—both Bristol City and Dominion Lines; Dakotian, Cunard-Donaldson and Dominion Lines, Aug. 12.
- To Glasgow*.—Athenia, July 25; Delilian, July 29; Letitia, Aug. 5; Sulairia, Aug. 12—all Donaldson-Atlantic Line.
- To Newcastle and Leith*.—Cairnglen, July 27; Cairnesk, Aug. 10; Cairnmona (also calls at Dundee), Aug. 17—all Cairn-Thomson Line.
- To Aberdeen and Hull*.—Consuelo, Ellerman's Wilson Line, Aug. 1.
- To Dublin and Belfast*.—Torr Head (does not call at Dublin), July 30; Fanad Head, Aug. 9—both Head Line (cargo accepted for Cork and Londonderry).
- To Hamburg and Bremen*.—Beaverdale, Canadian Pacific, Aug. 5 (does not call at Bremen); Bochum, Hamburg-American Line, July 29; Koenigsberg, North German Lloyd Line, Aug. 26.
- To Gothenburg, Stockholm and Helsingfors*.—Braheholm, July 29; Lagaholm, Aug. 16—both Swedish-America-Mexico Line.
- To Norwegian Ports*.—A steamer, Norwegian-American Line, Aug. 6.
- To Antwerp and Havre*.—Beaverburn, July 29; Beaverford, Aug. 12; Beaverbrae, Aug. 19; Beaverhill, Aug. 26—all Canadian Pacific (do not call at Havre); Hada County, July 26; Brant County, Aug. 7; August, Aug. 30—all County Line; Ornefjell, July 27; Carmelfjell, Aug. 10; Tindefjell, Aug. 24—all Fjell Line (do not call at Havre).
- To Rotterdam*.—Hada County, July 26; Lista (also calls at Dunkirk), Aug. 7; Grey County, Aug. 21—all County Line; Ornefjell, July 27; Carmelfjell, Aug. 10; Tindefjell, Aug. 24—all Fjell Line.
- To Marseilles, Genoa, Leghorn, Naples, Messina, Palermo, Gibraltar and Lisbon*.—Capo Noli, Aug. 8; Capo Lena, Aug. 27—both Capo Line (will also call at Cadiz and/or Seville and/or Casablanca if sufficient cargo offers).
- To St. John's, Nfld.*—Anna, July 25; Bencas, Aug. 11—both Shaw SS. Co. Ltd. (also call at Harbour Grace, Bay Roberts, Carbonear and Port Union; will touch at Newfoundland south coast ports as cargo offerings warrant); Belle Isle, Newfoundland-Canada SS. Ltd., July 29 and Aug. 12 (also calls at St. Pierre-Miquelon).
- To Cornerbrook, Nfld.*—Gaspesia, July 27 and Aug. 10; New Northland, Aug. 1—both Clarke SS. Co.
- To Puerto Rico, Barbados, Trinidad and Demerara*.—Chomedy, Aug. 4; Colborne, Aug. 18; Cornwallis, Sept. 1—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).
- To Hamilton, Nassau, Kingston and Belize*.—Cathcart (calls at Kingston only), July 29; Lady Rodney, Aug. 3; Cavalier (calls at Kingston only), Aug. 12; Lady Somers, Aug. 17—all Canadian National.
- To Bermuda, St. Kitts, Antigua, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara*.—Lundby, July 29; a steamer, Aug. 12—both Ocean Dominion SS. Corp. (call at Guadeloupe and Martinique if sufficient cargo offered).
- To Buenos Aires*.—A steamer, International Freighting Corp., August.
- To Brisbane, Sydney, Melbourne and Adelaide*.—Port Montreal, July 30; Kaikoura, Sept. 3—both Montreal Australia New Zealand Line (will also call at Geelong).
- To Auckland, Wellington, Lyttelton and Dunedin*.—City of Glasgow, Montreal Australia New Zealand Line, Aug. 30.
- To Cape Town, Port Elizabeth, East London and Durban*.—Calgary, July 25; Mattawin, Aug. 27—both Elder Dempster Lines Ltd. (also call at Freetown, Lourenco Marques and Beira).
- To Straits Settlements and Dutch East Indies Ports*.—Tabinta, Blue Funnel Line, Aug. 6.
- To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Madras, Rangoon, Calcutta and Singapore*.—City of Rangoon, Canada-India Service, Aug. 1.

From Quebec

- To Southampton*.—Empress of Britain, July 30 and Aug. 13; Empress of Australia, Aug. 4 and 19—both Canadian Pacific.

From Halifax

- To Liverpool*.—Nova Scotia, July 30; Newfoundland, Aug. 16—both Furness Line.
- To St. John's, Nfld.*—Fort Amherst, July 25 and Aug. 8; Fort Townshend, Aug. 1 and 15—both Furness-Red Cross Line (also call at St. Pierre); Magnhild (also calls at St. Pierre and Newfoundland outports), Newfoundland-Canada SS. Ltd., July 25, Aug. 8 and 22; Nova Scotia, July 30; Newfoundland, Aug. 16—both Furness Line; Portia, Newfoundland Rys. and SS. Co., Aug. 3 and 17.
- To Kingston, Jamaica*.—Cathcart, Aug. 1; Cavalier, Aug. 15—both Canadian National.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Nelson, July 28; Lady Hawkins, Aug. 11; Lady Drake, Aug. 25—all Canadian National; Lundby, Aug. 3; a steamer, Aug. 17—both Ocean Dominion SS. Corp. (call at Guadeloupe and Martinique if sufficient cargo offered, but not at Nevis or Montserrat).

To Puerto Rico, Barbados, Trinidad and Demerara.—Cornwallis, July 25; Chomedy, Aug. 8; Colborne, Aug. 22—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To Santiago (Cuba) and Kingston (Jamaica).—Kirsten B., July 27 and Aug. 24; Lutz, Aug. 10—both Pickford & Black Ltd. (also call at Jamaican outports as cargo offers).

To Far East Ports.—Silverash, Silver Line, Aug. 7; Cingalese Prince, Furness-Prince Line, Aug. 21.

From Saint John

To Liverpool and Manchester.—Manchester Exporter, July 26; Manchester Producer, Aug. 16—both Manchester Line.

To London, Newcastle, Aberdeen and Hull.—Kyno, Ellerman's Wilson Line, Aug. 12; Macharda, Cunard-White Star Line, July 28 (calls at London only).

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Hawkins, Aug. 3; Lady Drake, Aug. 17; Lady Nelson, Aug. 31—all Canadian National.

To Kingston and Jamaican Outports.—Crawford Ellis, July 29 and Aug. 12; Harboe Jensen, Aug. 5 and 19—both United Fruit Co. (cargo accepted for Caribbean, Central and South American ports with transshipment at Kingston).

From Vancouver

To Yokohama, Kobe and Osaka.—Hikawa Maru, Aug. 13; Hiye Maru, Aug. 27; Heian Maru, Sept. 10—all Nippon Yusen Kaisha.

To Yokohama, Kobe, Shanghai, Hongkong and Manila.—Empress of Russia (calls Nagasaki), Aug. 6; Empress of Japan (calls Honolulu), Aug. 20; Empress of Asia (calls Nagasaki), Sept. 3; Empress of Canada (calls Honolulu), Sept. 17—all Canadian Pacific.

To Honolulu, Suva, Auckland and Sydney.—Aorangi, Aug. 2; a steamer, September—both Canadian-Australasian Line.

To Manila, Iloilo, Cebu, Soerabaya, Samarang, Batavia, Colombo and Bombay.—Hoegh Silverstar (calls at Saigon, Singapore and Persian Gulf ports, also at Port Swettenham and Belawan Deli if cargo offers), Aug. 1; Talisse (calls at Belawan Deli, also at Singapore and Port Swettenham if cargo offers), Aug. 22; Djambi (calls at Saigon, Singapore and Persian Gulf ports, also at Port Swettenham and Belawan Deli if cargo offers), Sept. 1—all Silver-Java Pacific Line.

To Papeete, Auckland, Wellington, Lyttelton, Dunedin, Melbourne and Sydney.—Clydebank, Aug. 5; a steamer, September—both Canadian-Australasian Line.

To Brisbane, Sydney, Melbourne and Adelaide.—Parrakoola, Aug. 15; Boren, Sept. 15—both Empire Shipping Co., Ltd.

To London, Plymouth, Hull and Swedish Ports.—Annie Johnson, July 30; Canada (calls at Hawaii), Aug. 14; San Francisco, Sept. 3—all Johnson Line.

To London, Liverpool and Rotterdam.—Nebraska, Aug. 6; Delftdyk (calls Glasgow), Aug. 20; Drechttyk, Sept. 3; Lochavon (calls Glasgow), Sept. 17—all North Pacific Coast Line.

To Antwerp, Hamburg and Bremen.—Oakland, Aug. 11; Seattle, Aug. 28—both Hamburg-American Line; Weser, July 28; Este, Sept. 2—both North German Lloyd Line.

To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.—San Francisco, Aug. 3; San Antonio, Aug. 19; San Pedro, Sept. 3—all Empire Shipping Co. Ltd.

To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.—Cellina, Aug. 12; Leme, Sept. 10—both Empire Shipping Co. Ltd.

To Port of Spain (Trinidad) and Bridgetown (Barbados).—A steamer, Canadian Transport Co., August.

To Cape Town, Port Elizabeth, East London, Durban and Lourenco Marques.—Silverbelle, Aug. 5; Manoeran, Sept. 6—both Silver-Java Pacific Line (call at Beira and Calcutta, will also call at Colombo and Madras if sufficient cargo offers); Hopecrown, North Pacific Shipping Co. Ltd., July 31 (calls at Beira but not at East London).

To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.—Brandanger, July 25; Hardanger, Aug. 25—both Empire Shipping Co. Ltd. (will call at West Coast ports if sufficient cargo offered).

Note.—Firms who desire information concerning ocean and mail services may have their names placed on the mailing list of the Post Office Weekly Bulletin by applying to the Post Office Department.

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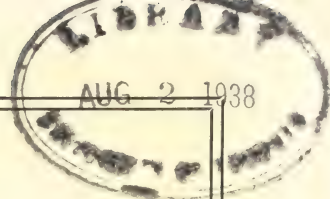
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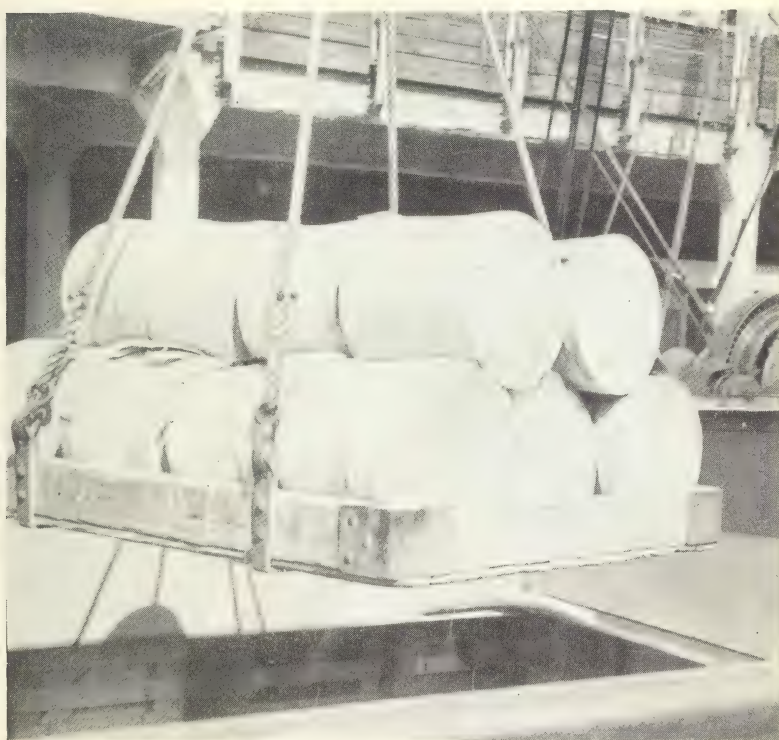


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No. 1800



Canadian Cheese at Bristol, England

ISSUED BY AUTHORITY OF
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE
JAMES G. PARMELEE, DEPUTY MINISTER

CONTENTS

	Page
Conditions in the United Kingdom:	
I. Internal Trade	153
Conditions in New Zealand, January to March.....	157
Trade Commissioners on Tour	164
Australian Trade with Canada:	
III. Metals and Metal Manufactures; Vehicles	164
Australian Wheat and Flour	168
Short-Paid Letters to South Africa.....	169
Market for Ladies' Handbags in Hongkong.....	169
Wheat and Flour Trade Regulation in the Netherlands.....	170
Netherlands Market for Honey	176
Wheat Situation in France.....	177
Trade of the French Colonies in 1937.....	179
Honey Market Conditions in France	179
Crop Reports for Norway and Denmark.....	181
Exchange and Financial Regulations in Bolivia.....	181
Economic Conditions in Mexico, April to June	182
United Kingdom Merchandise Marks Act	184
Tariff Changes and Customs Regulations	185
Foreign Exchange Quotations	186
Trade Inquiries for Canadian Products	187
Proposed Sailings from Canadian Ports	187
Condensed List of Publications	190
Commercial Intelligence Service	191

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Vol. LIX

Ottawa, July 30, 1938

No. 1800

CONDITIONS IN THE UNITED KINGDOM

FREDERIC HUDD, CHIEF CANADIAN TRADE COMMISSIONER IN THE
UNITED KINGDOM

I. Internal Trade

London, July 11, 1938.—The trend of business activity in the United Kingdom indicates the existence of factors which occasion some concern for the future. Evidences of a recession continue to be manifest. In trade and industry the volume of orders has decreased, regardless of the increased expenditures for defence and rearmament purposes. The *Economist* index of business activity records a further decline to 103 in May from 104½ in April (1935=100). On the basis of this index, business activity is now approximately at the level of two years ago. The fall since the end of last year has been rapid, all of which reflects a decline in world trade and prices. The normal seasonal increase in employment for the first half of the year has not been indicated in the employment returns, and there is a continued fall in exports.

The President of the Board of Trade, speaking in the House of Commons in May, declared that while industrial production for the first quarter of this year still compared favourably with the active corresponding period of 1937, the rate of increase had slackened, and in some industries there had been a marked recession. He attributes this to the decline in commodity prices, which in 1937 had been inflated to some extent by speculation and on account of which some decline in prices was inevitable and desirable, although the result was affecting world trade. The fall in commodity prices had not been checked at a reasonable level, he stated, chiefly because of the Sino-Japanese conflict and industrial recession in the United States. He affirmed that recovery in the United States was essential to the recovery of commodity prices, and that the recovery of these prices was the greatest contribution that could be made to the improvement of industry in the United Kingdom. The Prime Minister, on July 2, struck a note of some optimism: "There has been a falling off," he said, "in the high level of activity which was reached last year and which was by far the highest in the whole industrial history of the country. But fluctuations are inevitable, and there is no ground and no excuse for pessimism."

It was earlier believed that the preoccupation of industry with the orders incidental to the rearmament program would result in an accumulated civilian demand which would for a time, at any rate, maintain the volume of production, but there are no indications that this is taking place. Commenting on the future outlook, Lloyds Bank, in its Monthly Review for June, says: "It looks as though recovery has been deferred at least until the autumn and more probably until next year. In the meantime, a further recession must be expected, which will only partially be offset by the relative activity in those industries employed on rearmament."

REARMAMENT PROGRAM

An official statement relative to defence, issued earlier in the year states that a number of new factories have been brought into production, while others are under construction and existing factories are working to a high level of output. For the year 1938, provision is made in the estimates of the three Defence Departments (including Royal Ordnance factories) for expenditure amounting to £343,250,000, of which it is proposed to meet £90,000,000 by issues from the Consolidated Fund under the Defence Loans Act. In addition, nearly £8,500,000 is provided for air raid precaution services. Present indications are that the defence programs now in hand are likely to involve defence expenditure in 1939 in excess of the provision made in the estimates for 1938.

INDUSTRIAL PRODUCTION

The Board of Trade Index of Production shows that while there was a decline as compared with the last quarter of 1937, the aggregate of all groups in the first quarter of 1938 was greater than in the first three months of last year. It was a smaller increase than that recorded in any quarter during the past five years, and the indication for all groups shows a rise of 32·7 per cent over the quarterly average of 1930, while among the individual items increases range from 4·1 per cent to 86 per cent. In the various industrial groups in the first quarter of this year, as compared with the first quarter of 1937, iron and steel rose by 6·6 per cent, gas and electricity by 4·7 per cent, and chemicals, oils, etc., by 4 per cent, while the unsatisfactory situation in the textile industries was indicated by a decline of 10·3 per cent.

IRON AND STEEL INDUSTRY

The past year was a period of great activity in the iron and steel trade, due not only to the demands of the defence program but also to the high level of activity in domestic industry and the revival in shipbuilding. At the moment, however, these conditions are in process of change.

The British Iron and Steel Federation returns show that production of steel ingots and castings for May amounted to 957,000 tons as compared with 938,600 tons in April and 1,047,300 tons in May of last year. The output of pig iron was 633,900 tons as against 661,000 in April and 696,300 tons in May of 1937. There were 105 furnaces in blast in May, compared with 111 at the end of April. The production of pig iron in May included 130,900 tons of hematite, 364,700 tons of basic, 108,600 tons of foundry, and 16,900 tons of forge pig iron.

The British Iron and Steel Federation point out that, taking the industry as a whole, the average effective daily rate of steel production in April was about 39,000 tons as compared with 41,500 tons in April, 1937. The exports of iron and steel and manufactures thereof in April were lower both in volume and value than in either March or the corresponding month of 1937.

Commenting on the situation in the iron and steel industry the *Economist* states: "Despite the recent reduction the output of the industry remains substantial. As stocks of certain materials are still substantial, there has been no incentive for consumers to cover their requirements for longer periods ahead. The prolongation of the International Steel Cartel, announced last week, and the expectation of the conclusion at an early date of an effective agreement with the American steel exporting companies has strengthened the price structure in this country."

SHIPBUILDING INDUSTRY

There were 222 merchant vessels of 1,037,073 tons under construction in Great Britain and Ireland at the end of June, according to the quarterly returns of Lloyd's Register. This is 52,004 tons less than the tonnage under construction

at the end of March and 162,900 tons less than a year ago. Some 176,000 tons of shipping now being built in this country, or about 17 per cent, are intended for registration abroad or for sale. At the end of March the figure was 211,000 tons, equivalent to 19.4 per cent.

BUILDING CONSTRUCTION INDUSTRY

While the returns of building plans are indicative of some decline, the building industry remains active. The Ministry of Labour's preliminary figures of plans approved in May show a decline of 5 per cent as compared with those of last year. The returns cover 142 of the 146 reporting local authorities. In the three months preceding, the number of housing plans declined, but in May they showed a rise of 6.6 per cent, due largely to expanded expenditures upon public buildings.

The total value of building plans approved for the first five months of this year was £42,792,000, a fall of £6,350,000 or 12.9 per cent. Housing projects declined by £1,330,000 or 4.7 per cent, and other plans by £4,990,000 or 24.1 per cent.

In a survey published by the Building Industries National Council it is stated that the seasonal improvement has failed to attain its usual dimensions, and that it is reasonably certain that activity will be lower in 1938 than in 1937. Any expansion in the building programs of local authorities under the provisions of the Housing Act is likely to assist in checking any considerable decline of activity in the building industry for the present.

TEXTILE INDUSTRY

The position in the textile industry remains unsatisfactory, as both the cotton and wool industries continue to operate under adverse conditions. No plan for the reorganization of the cotton industry has yet been put into operation, due to opposition in the cotton textile areas to the earlier proposal of the Joint Committee of Cotton Trade Organization recommending legislation to set up a board representative of the whole cotton industry to examine any proposals of reorganization which, if approved by the majority of the industry, could be imposed upon all. It is hardly to be expected that any considerable revival in the industry will take place unless some reorganization plan is adopted, which is emphasized by the continuing decline of activity in the industry. In the meantime it is announced that the Government will prepare an Enabling Bill to form a basis for further discussion and negotiation in the industry.

The cotton trade is more sensitive to the effect of international events than many other industries, and the factors making for the interruption of international trade have served to aggravate an already depressed condition in the industry, which has been described as the worst ever known. In May there were 78,000 more operatives unemployed than in May, 1937, and production of both spinning and weaving divisions was estimated to be only about 50 per cent of full activity.

AUTOMOBILE INDUSTRY

Production in the automobile industry, which has naturally been affected by the general recession in business and production in the six months from October, 1937, to March, 1938 (the motor year begins in October), was below the production in the corresponding months of 1936 and 1937. In the period the output of private cars, including taxis, was nearly 10 per cent smaller and that of commercial vehicles 6 per cent. The monthly returns show that since the beginning of the motor year the output of private cars has been below the level of the corresponding month of last year. New registrations in the month of April were 25,649 as compared with 31,121 in April, 1937, all of which illustrates a decline in demand for new cars.

EMPLOYMENT SITUATION

The returns of employment indicate some recession in business activity, and the Ministry of Labour returns provisionally estimate that on June 13 the number of insured persons in employment in Great Britain was approximately 11,333,000, which was 42,000 below the total for May 16 and, on a comparable basis, about 326,000 below the total for June 21, 1937.

There was a decline in employment between May and June in the cotton, wool and textile, bleaching, printing, etc., industries, the clothing and boot and shoe trades, iron and steel, motor vehicle and metal goods manufacture, certain branches of the engineering industry, and the coal mining and building industries. On the other hand, employment improved in agriculture, the fishing industry, hotel and boarding-house service, the distributive trades, road transport and shipping services, and hosiery manufacture.

At June 13, 1938, the numbers of unemployed persons on the registers, including persons within the Agricultural Scheme, were 1,268,566 wholly unemployed, 468,756 temporarily stopped, and 65,590 normally in casual employment, making a total of 1,802,912. This was 24,107 more than the number on the registers at May 16, 1938. The increase is accounted for by temporary stoppages, due partly to extensions of the Whitsun holiday. There was an increase of about 500,000 as compared with June 21, 1937.

COMMODITY PRICES

During recent weeks wholesale prices have been steadier. The *Times* index number of wholesale prices of commodities on June 29 was 1 per cent higher than on May 30 and 9.6 per cent below June 29, 1937, the figures being respectively 117.2, 116, and 129.7 (1913 equals 100). The index for food rose by 2.5 per cent on the month, and for industrial materials by 0.1 per cent. The Ministry of Labour's cost of living index number for June 1 showed a fall of one point during the preceding month and a rise of three points during the past year.

On the basis of statistics prepared by the Bank of England, the value of retail sales in Great Britain per selling day during May was 6.1 per cent lower than in May last year, when an increase of 13.2 per cent from May, 1936, was recorded.

AGRICULTURAL SITUATION

On the whole, the weather during June was fairly favourable to agriculture, and although previous late frosts and other weather conditions had tended to depress hopes with regard to the harvest, corn estimates of July 1 indicate that the prospects are better than were generally anticipated. Wheat crops are reported to be in good condition and, according to the *Times* schedule showing the condition of the principal crops in Great Britain on July 1 as compared with the five previous years and with the 10-year average, 1928-37, on the same date, the average estimate of 93 for wheat is 9 points higher than last year's figure on July 1 and 4 points higher than the 10-year average (100 represents healthy condition, full growth, and freedom from injury). Barley and oats also show comparable increases. The hay crop has suffered considerably, the growth of hay in June being slow. The Ministry of Agriculture and Fisheries estimates that the yield of seed hay will be about 20 cwt. per acre and that of meadow hay about 14 cwt. per acre as compared with the average of 26.7 cwt. and 19.7 cwt. respectively for the ten years 1928 to 1937. Recent rains have tended to improve the situation in the grass fields.

The Minister of Agriculture, reviewing the agricultural position of the country on July 14, presented comparative returns indicating that there had been progressive annual increases in the production of meat, milk, eggs, sugar,

fruit, and vegetables, accompanied by decreases in oats, barley, peas, and beans, but a striking decline in the production of animal foodstuffs. The Government is now adopting measures designed to improve grass lands, to encourage the production of oats and barley, and to make farming generally more remunerative and productive.

Compared with 1930, the Minister said that the present annual beef production had increased by nearly 2,000,000 cwts., pig meat by nearly 4,000,000 cwts., milk by 76,000,000 gallons, wheat by 348,000 tons, and apples by 5,000,000 cwts., while vegetables and similar products also showed a satisfactory increase. He attributed these results very largely to measures such as the legislation setting up marketing boards and the policy of controlled imports.

The United Kingdom Government, the Minister said, were in general agreement with the view expressed at the British Empire Producers' Conference at Sydney that the orderly marketing of primary products was necessary in order to obtain continuity of supply and to prevent instability of price levels and speculation. The Government welcomed the proposal that the Empire producers' organizations should co-operate with one another and with corresponding bodies in other countries to establish such commodity councils as might be deemed necessary for producer-control and finance, the representations thereon being on the lines of the Empire Beef Council and the International Beef Conference.

Note.—Part II of this report, dealing with the external trade situation, will appear in an early issue.

CONDITIONS IN NEW ZEALAND, JANUARY TO MARCH

R. P. BOWER, ASSISTANT TRADE COMMISSIONER

Auckland, June 24, 1938.—Conditions in New Zealand continue buoyant, although a slight falling off in activity is reported in certain lines. Lower prices for wool and serious losses from stock diseases in some districts have impaired the purchasing power of an important section of the community.

BANKING

For the quarter ended March 31, 1938, the average of bank deposits (exclusive of government deposits) amounted to \$264,214,152 as compared with \$265,147,344 for the first quarter of 1937. Advances averaged \$214,573,240, an increase of \$26,858,360 on the corresponding 1937 figure. As at March 28, 1938, the Reserve Bank held \$11,207,164 in gold and \$67,718,604 in exchange. Advances stood at \$21,236,508, of which \$20,436,508 was made to the Primary Products Marketing Department. On the liability side bank notes outstanding amounted to \$54,217,872.

EXTERNAL TRADE

Preliminary statistics of the trade of New Zealand for the first three months of 1938 reveal an increase in the total value of trade amounting to \$689,952 as compared with figures for the same period of 1937. Imports at \$59,549,640 were \$7,615,456 greater than the year before, and exports at \$81,732,076 were \$6,925,504 less, so that the favourable balance of trade fell from \$36,723,396 to \$22,182,436.

EXPORTS

New Zealand's exports to the principal Empire markets were higher in the first quarter of 1938 than in the same period of 1937. The value of shipments to the United Kingdom increased by \$3,752,080 to total \$68,005,040, while

those to Australia rose from \$1,823,424 to \$2,581,528. The operation of the direct steamship service to the Middle East was partly responsible for increased shipments to British Malaya, from \$44,060 to \$73,500, and to British India from \$103,732 to \$116,104. Among foreign countries the largest increases occurred in exports to Germany and Poland. Shipments to Germany were valued at \$2,089,136 as compared with \$611,176 in the previous year, the improvement being partly due to the New Zealand-Germany Trade Agreement concluded in 1937. On the other hand, the value of shipments to Canada fell by \$519,288 to \$2,046,340.

Conditions in foreign markets were chiefly responsible for the large total decline. The depression in the United States, coupled with lower prices for wool, reduced the value of New Zealand exports to that market to \$973,908 from \$7,140,208 in the first quarter of 1937. Shipments to the Orient were affected by unsettled conditions there, Japan buying to a value of only \$1,173,420, or 15 per cent of her purchases for the same period in 1937. The value of shipments to China fell from \$156,200 to \$32,148.

The decline in wool prices was almost entirely responsible for the adverse showing of exports, the other leading export commodities all maintaining or improving their standing. The value of butter exports rose by \$4,161,396 to \$23,132,332, cheese by \$973,164 to \$6,962,828, chilled beef by \$278,284 to \$882,236, frozen lamb by \$433,524 to \$13,093,880, frozen mutton by \$701,660 to \$2,182,176, frozen pork by \$264,412 to \$2,413,728, and sausage casings by \$197,060 to \$1,042,500. In most cases the quantities were also larger, and prices remained firm.

Exports of wool, on the other hand, fell from 396,626 bales to 381,593, and the value from \$36,075,392 to \$23,750,240. The value of sheep skins without wool declined from \$1,544,200 to \$1,052,844, and of those with wool from \$1,006,492 to \$531,156.

There is no guaranteed price for wool in New Zealand as there is for butter and cheese, and the reduction in returns from sales of that product can only result in a corresponding decline in the purchasing power of the farming community. The prices received were sufficiently high in most cases to cover production costs, however, and in comparing results with the previous year it should be remembered that prices were abnormally high at that time. Disease among sheep caused severe losses in certain sections of the Dominion early this year, which will also be reflected in curtailed purchasing power.

IMPORTS

New Zealand purchased more from the United Kingdom in the first quarter of the year (\$29,555,356) than from any other source. Australia with \$7,473,664 took second place, followed by the United States (\$6,467,420), Canada (\$4,140,428), the Dutch East Indies (\$2,344,688), and Japan (\$1,548,060). Imports into New Zealand are so varied and the preliminary information so incomplete that no detailed review is possible. In the following summary only the principal items, or those of particular interest to Canada, are referred to, the values shown being for the first three months of 1938 and the corresponding period of 1937:—

Principal Imports into New Zealand

	Jan.-Mar., 1938	Jan.-Mar., 1937
Total imports	\$59,549,640	\$51,934,184
Fish	240,304	249,760
Wheat	1,589,984	51,520
Salt	93,580	105,768
Gin	119,036	96,020
Whisky	328,736	382,848
Cigarettes	495,928	515,000

Principal Imports into New Zealand—Concluded

	Jan-Mar., 1938	Jan-Mar., 1937
Live animals	33,696	25,124
Hats, caps, millinery	263,084	227,400
Hosiery	465,760	323,096
Apparel n.e.i.	2,723,372	2,752,752
Boots, shoes and slippers	750,464	748,988
Carpets, matting, linoleum	785,876	884,340
Cotton piece-goods	1,760,648	2,301,100
Silk and artificial silk piece-goods	1,027,340	1,193,996
Woollen piece-goods	1,219,908	1,604,444
Motor spirits	2,466,264	1,796,444
Paints, colours, varnishes	468,804	458,540
Iron and steel—		
Bar, bolt and rod	486,324	415,476
Galvanized plate and sheet	452,888	610,784
Tubes, pipes and fittings	667,120	535,820
Tools and implements, artificers	361,336	353,064
Fencing wire, plain	281,198	177,320
Hardware, cutlery and metal mfrs. n.e.i.	894,716	814,168
Agricultural implements and machinery	233,756	197,576
Electrical machinery and equipment	2,864,200	2,128,156
Wireless apparatus	486,804	529,048
Typewriters	81,436	76,520
Sawn timber	424,952	271,584
Other timber	194,744	141,576
Printing paper (newsprint)	255,648	235,580
Printing paper (other)	363,024	266,244
Stationery	190,748	200,784
Motor vehicles	6,952,660	5,783,612
Rubber tires for motor vehicles and motor cycles	633,016	785,808

As shown by the foregoing figures, the value of importations has been well maintained.

TRADE WITH CANADA

The value of trade between Canada and New Zealand for the first quarter of 1938 differs from that of the same period in 1937 by less than \$5,000, the actual figures being \$6,723,052 and \$6,727,848 respectively. Imports from Canada into New Zealand valued at \$4,669,948, were 12 per cent larger than for the previous year, while New Zealand exports to Canada were 20 per cent smaller at \$2,053,104. Among New Zealand's exports to Canada, only butter, \$670,424 (\$1,660); apples, \$57,036 (nil); calfskins, \$89,463 (\$46,996); and tallow, \$21,496 (\$7,784), showed an improvement compared with the same period in 1937. (The figures in parentheses are for the first quarter of 1937.)

Smaller wool shipments were most responsible for the decline in exports to Canada. The number of bales of greasy wool shipped in the first quarter of 1938 amounted to 1,432 as compared with 2,030 in the preceding year; the values were \$568,068 and \$1,377,440 respectively. Further declines occurred in shipments of cattle hides, \$5,728 (\$126,088); sheepskins with wool, \$79,868 (\$167,600); scoured wool, \$116,900 (\$202,536); sausage casings, \$302,416 (\$371,796); slipe wool, \$104,384 (\$163,768); and grass seeds, \$8,220 (\$62,460).

NOTES ON THE PRINCIPAL IMPORTS FROM CANADA

Effective March 1, 1938, the New Zealand Government increased the rates of duty on a considerable number of items coming from Canada. As in most cases similar increases were levied against Australian merchandise, Canada's competitive position relative to Australia has not been impaired. Except in the case of certain types of footwear, the increases do not apply to merchandise from the United Kingdom, so that manufacturers in that country now enjoy a definite advantage in this market in the case of some products. It should also be borne in mind that in many instances where merchandise from Canada and

the United Kingdom and Australia is dutiable at the same rate, Canadian goods must pay a nine-fortieths surtax in addition. The change in duties became effective too late in the period to be reflected in the figures included in this review; however, reference is made in the following paragraphs to any items likely to be seriously affected.

COMMODITIES SHOWING INCREASES

The principal products of Canadian origin, imports of which into New Zealand in the first quarter of 1938 showed increases, are reviewed hereunder, values for the corresponding period of 1937 being shown within parentheses:—

Wheat.—\$39,996 (nil).

The Government is the only authorized importer of wheat into New Zealand. Its policy is to import no more than is absolutely necessary and to make the country ultimately self-supporting. Canadian wheat is imported for blending purposes, and Australian wheat chiefly for feed purposes.

Jellies, Concentrated.—\$16,764 (\$6,324).

Sales of Canadian concentrated jellies have expanded steadily ever since they were introduced a few years ago. Not only has the Canadian jelly become the most important on the market, but its introduction has resulted in a substantial increase in the per capita consumption of jellies in this country.

Provisions n.e.i.—\$30,232 (\$22,540).

There is a widespread interest throughout New Zealand in Canadian canned foodstuffs. New lines, such as tomato juice, are entering the market, and with the high price of local vegetables and fruit, regular sales are assured.

Hats, Caps, and Millinery.—\$22,256 (\$10,748).

New Zealand is one of the largest per capita buyers of men's felt hats. Canadian hats are well received in this country, but the duty on this product was raised on March 1 from 20 per cent plus nine-fortieths surtax to 40 per cent without surtax. This will probably tend to curtail importations from Canada to the benefit of the United Kingdom and local manufacturers.

Hat Hoods, Unblocked.—\$16,144 (\$8,616).

Items under this heading enter New Zealand free of duty, and Canada has been obtaining a fair share of the total business offered. Any restrictions on imports of finished hats from Canada should to some extent be counteracted by an increase in the importation of unfinished hats.

Hosiery.—\$110,476 (\$57,664).

Canadian finished hosiery and hosiery in the grey have been making very satisfactory progress in this market in recent years despite higher rates of duty than apply against any other Empire country. These rates were further increased on March 1 and are now 55 per cent as compared with 32½ per cent plus nine-fortieths surtax which formerly applied. Good business in the finished hose is still reported, although there have been a number of orders cancelled for hosiery in the grey. It is still too soon to estimate the full effect of the tariff change.

Apparel n.e.i.—\$121,844 (\$57,336).

On March 1 the New Zealand duty on items from Canada under this heading was raised from 25 per cent plus nine-fortieths surtax to 45 per cent. It is unlikely that this increase will seriously affect the Canadian position. Prices will naturally be increased, but for style articles, such as women's dresses, purchasers are prepared to pay more for something different. Production by the New Zealand clothing industry is not of sufficient volume to permit a wide range of styles.

Leather Footwear.—\$26,232 (\$19,360).

Reactions to date would indicate that the recent tariff increases have affected this line more than any other from Canada. Previously 20 per cent, the rate is now 25 per cent or 3s. (60 cents) per pair, whichever is higher. Certain types of leather footwear will still be imported from Canada, although the volume will be considerably curtailed.

Hardware n.e.i.—\$59,036 (\$29,744).

As the tariff change of March 1, 1938, raised the rates against items of Canadian origin under this heading from 20 per cent plus nine-fortieths surtax to 30 per cent, it is unlikely that the steady increase of imports from Canada will be maintained.

Calculating Machines and Cash Registers.—\$37,320 (\$16,020).

The satisfactory expansion in Canadian sales under this heading which was apparent in 1937 has continued into 1938. The improvement has been at the expense of imports from the United States.

Washing Machines.—\$73,912 (\$33,340).

The importation of washing machines from Canada has increased steadily for some years, partly due to the scarcity of domestic help. The tariff changes of March 1 raised the duty on Canadian washers from 20 per cent plus nine-fortieths surtax to 30 per cent. The effective rate is now very little higher than it was before, so that the future prospects for this line need not be impaired.

Belts and Belting n.e.i.—\$25,040 (\$22,616).

The small increase under this heading reflects the regular expansion of New Zealand industries.

Cardboard, etc.—\$46,804 (\$38,896).

In recent months there has been increased interest shown in fibre containers, which is largely responsible for the greater imports under this heading.

Writing Paper.—\$12,056 (\$7,616).

Paper, Other Kinds.—\$18,004 (\$9,232).

Passenger Vehicles, etc.—\$1,532,720 (\$1,221,484).

This is the largest individual item from Canada. New Zealand is second only to the United States in the number of cars operated per capita, and the prosperity which the country has enjoyed during the past months has resulted in exceptional imports under this heading. The United Kingdom is the principal supplier, followed by Canada. The high price of fuels encourages the use of the low-powered type of car.

Lorries, Trucks, Vans, Buses and Chassis for, C.K.D.—\$758,976 (\$451,864).

This is the second most important import from Canada into New Zealand. Two large assembly plants operating in the North Island finish the bulk of Canadian shipments under this heading.

COMMODITIES SHOWING DECREASES

The importation of certain products from Canada was smaller for the first three months of 1938 than for the same period of 1937. The most important of these are as follows, the figures for the first three months of 1937 being shown within parentheses:—

Wheat Flour.—No imports in 1938 (\$22,276).

This decline is the result of a New Zealand regulation prohibiting the importation of wheat flour. All flour sold in New Zealand to-day is milled within the country from either locally grown or imported wheats.

Rubber Boots.—\$154,724 (\$169,788).

This decline is due principally to the favourable weather experienced last summer. Farmers are the principal buyers of rubber boots in this country, and weather conditions have a marked effect on the demand for footwear.

Nails and Tacks.—\$16,504 (\$20,980).

The decrease under this heading is partly due to increased local competition and partly to the ability of Australian manufacturers to make more satisfactory deliveries.

Iron and Steel.—\$39,800 (\$70,636).

The same remarks apply as to the preceding item.

Electric Ranges.—\$34,864 (\$68,276).

Electric ranges from Canada are at a disadvantage as compared with those from England because they pay a higher rate of duty. In addition there is a well established local industry. Imports of electric ranges for the whole of 1937 were well above those for the year before, and it is possible that the first quarter's figures are not indicative of the actual trend of this trade.

Timber, Rough Sawn.—\$41,736 (\$62,096).

It is difficult to sell Canadian timber in this market because of the protection afforded to a well-established local industry.

Newsprint.—\$145,692 (\$192,584).

The purchases of Canadian newsprint were lower for the first quarter of this year, principally because certain of the local publishers secured exceptionally heavy stocks a year ago when prices were more attractive. Canada is still the most important supplier of newsprint to this market, and there is no indication that the annual consumption is diminishing.

Wrapping Paper.—\$25,128 (\$42,380).

Pneumatic Tires and Rubber Tubes.—\$274,356 (\$319,856).

Imports of Canadian rubber tires were exceptionally heavy during the latter part of 1937, which may be responsible for the small arrivals during the first quarter of 1938. At present there is some prospect of a tire factory being established in New Zealand, which would in all probability be accompanied by a quota restricting the importation of tires from abroad. Such a quota would have an adverse effect on importations from Canada.

PRODUCTION

DAIRY PRODUCE

The United Kingdom provides the most important overseas market for New Zealand butter. Quotations for butter on the London market during the first quarter of 1938 were firm, rising from 114s. per cwt. on January 1 to 123s. on March 19, and declining slightly to 120s. on March 26. The United Kingdom butter importations for the first quarter were 5.2 per cent higher than for the same period in 1937. The 44,044 tons obtained from New Zealand represented 37.3 per cent of the total importations as compared with 40.38 per cent for the previous comparative period. Australia improved her position considerably during the same period.

Practically all the cheese exported from New Zealand is destined for the United Kingdom. Prices were 65s. per cwt. at the beginning of the period, and 69½s. on March 26. The United Kingdom imported slightly less cheese in the first quarter of 1938 than in the same period of 1937, and New Zealand shipments to that market declined in sympathy from 27,802 tons to 24,428 tons.

WOOL

The 1937-38 wool sales in New Zealand resulted in lower prices for all grades than in 1936-37, some of the prices for inferior classes being only half those ruling previously. Taking 100 as the index of average wool prices in 1914, the index figure for January, 1938, was 95 as compared with 124 for January, 1937. The poor demand for wool from the United States and Japan was chiefly responsible for lower prices, as other customers maintained purchases rather well.

MEAT

The United Kingdom consumes over 99 per cent of the meats exported from New Zealand, so that the position of this industry depends entirely on prices ruling in that market. A comparison of London prices on January 6 and March 31 reveals a weakening in the values for all classes of meat, although at the close of the quarter they were still above the levels prevailing at the same season a year earlier.

HIDES AND SKINS

The quarter's exports of cattle hides, calf skins, and sheep skins without wool were higher in quantity but receipts were lower, while exports of sheep skins with wool were lower in both quantity and value. A comparison of prices at the beginning and the close of the quarter indicates a general decline in prices, the greatest being 1½d. per pound.

INDUSTRIES

The industrialization of New Zealand has proceeded steadily, with occasional minor setbacks, for many years. In 1910 there were 4,402 establishments operating in the Dominion, employing 56,234 people and with land, plant, and equipment valued at \$66,925,536. For the 1936-37 year the figures were 5,728, 96,401, and \$268,389,060 respectively.

The increase in minimum wage rates and the reduction of hours of work have increased the cost of production in practically all enterprises. Manufacturers requested additional tariff protection to offset their rising costs, and the increases which became effective on March 1 are the result of this agitation. It is too soon to judge whether the protection granted will produce the desired

results. The following table, showing the tariff rates against Canada, Australia, the United Kingdom, and foreign countries on certain locally manufactured lines, gives some indication of the amount of protection at present accorded:—

	Canada	Australia	United Kingdom	Foreign
Silk and artificial silk hosiery	55%	40%	20%	65%
Apparel n.e.i.	45%	40%	25%	65%
Gloves and mittens, wholly of leather . .	40%	40%	20%	50%
Certain types of leather footwear	25% or 3s. per pr. whichever higher	40% or 4s. per pr. whichever higher	25% or 3s. per pr. whichever higher	55% or 6s. per pr. whichever higher
Lawn mowers	30%	30%	20%	55%
Storage batteries	20%	20%	Free	40%
Radios in cabinets	30%	30%	Free	65%
Electric irons	30%	30%	20%	50%
Paints	25%	25%	15%	45%

In the preceding table the foreign rates are subject to a surtax amounting to nine-fortieths of the duties, and as ad valorem duties are calculated on the current domestic value plus 10 per cent, the foreign rate of 65 per cent is equivalent to 87·5 per cent.

GENERAL

Unemployment.—It is not possible to compare the number of unemployed this year with those of 1937, because of a change in the method of compiling the statistics. At March 12, 1938, the figure was 6,695, but this total does not include approximately 8,000 people on relief who are for one reason or another totally unfit for work, nor does it include anyone in full-time subsidized employment.

Bankruptcies.—There were 63 persons or organizations adjudged bankrupt during the quarter as compared with 31 in the March quarter of 1937 and 61 in the same period of 1936.

Building Permits.—There were 3,262 building permits issued in the quarter, an increase of 513 as compared with the same quarter of 1937. The total value of the buildings covered by the permits was \$8,546,260, an increase of 65 per cent over the figures for the same period of the previous year. These permits include all government construction.

Railway Traffic.—Returns recently compiled show substantial increases in passengers and goods carried by the New Zealand Railways for the year ended March 31, 1938, as compared with the 1936-37 period. The number of railway passengers rose by 1,205,784 to 22,441,212 and of bus passengers by 890,023 to 5,446,339. Transportation of live stock rose from 600,898 tons to 668,520 tons. The volume of other goods carried increased from 5,760,533 tons to 6,357,767 tons. Increased operating costs, however, resulted in a lower net revenue than was obtained the year before.

Although the level of business activity remains high, local production and living costs are rising, and in many cases profit margins are reduced. The cost of living in one year, according to official estimates, has risen by slightly over 14 per cent.

Prices for the principal export commodities show a softening tendency and, coupled with the prospect of a general election, have produced a feeling of uncertainty. This uncertainty, the lowered purchasing power of a large section of the farming community, and increased customs duties will tend to check the steady growth in importations that has been manifest since 1932.

TRADE COMMISSIONERS ON TOUR

Mr. Yves Lamontagne, Canadian Trade Commissioner at Brussels, Belgium; Mr. A. B. Muddiman, Canadian Trade Commissioner at Milan, Italy (whose territory includes Spain, Portugal, Gibraltar, Malta, Albania, and Yugoslavia); Mr. M. J. Vechsler, Canadian Trade Commissioner at Lima, Peru (whose territory includes Bolivia, Ecuador, and Chile); and Mr. H. A. Scott, Canadian Trade Commissioner at Shanghai (whose territory includes Central and North China), are visiting the principal industrial centres of Canada in the interest of Canadian trade with their respective territories. Their itineraries are as follows:—

Mr. Lamontagne

Vancouver Aug. 4 to 10 Winnipeg Aug. 12

Mr. Muddiman

Quebec Aug. 4 to 6 Montreal Aug. 13 to 23
Halifax Aug. 8 and 9 Ottawa Aug. 24 and 25
Saint John Aug. 11 and 12

Mr. Vechsler

Ottawa Aug. 2 Edmonton Aug. 31
Winnipeg Aug. 4 Toronto Sept. 6 to 20
Vancouver Aug. 10 to 24 Ottawa Sept. 23
Kelowna Aug. 26

Mr. Scott

Granby Aug. 1 Saint John Aug. 5
St. Hyacinthe Aug. 2 Halifax Aug. 8

Firms who wish to be brought in touch with the Trade Commissioners should communicate: for Winnipeg, Edmonton, and Vancouver, with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other centres, with the respective Board of Trade or Chamber of Commerce.

AUSTRALIAN TRADE WITH CANADA

L. M. COSGRAVE, CANADIAN TRADE COMMISSIONER

III

(Values of imports into Australia are recorded generally f.o.b. port of export in British currency plus 10 per cent; £stg.1 equals \$5 Canadian)

Following is an additional list of commodities imported into Australia in 1936-37 of interest to Canadian exporters, with total values and amounts credited to each of the chief supplying countries:—

COMMODITIES OF CHIEF INTEREST TO CANADA

METALS AND METAL MANUFACTURES OTHER THAN MACHINERY

Brass in Strips, Plain.—Total, £7,645 (£10,029).

Imports from Canada showed considerable improvement with a value of £1,257 as compared with £33 in the previous year; the bulk of the trade was credited to the United Kingdom, £5,938 (£9,642).

Britannia Metal, etc., and Other Non-ferrous Alloys n.e.i. in (a) Blocks, Ingots, Pigs, and Scrap.—Total, £7,582 (£6,239).

There was a marked increase in Canada's contribution under this heading—£1,649 as against £808; the leading supplier was the United Kingdom with £5,683 (£5,060).

(b) *Angles, Bars, Channels, Rods.*—Total, £7,000 (£5,335).

The United Kingdom, £5,385 (£3,994), and the United States, £1,126 (£1,229), shared this market. Canada is gradually improving her position, being credited with £429 as compared with £112 in the previous year.

Aluminium Blocks, Cubes, Ingots, Pigs, Scrap, and Granulated.—Total, £50,595 (£32,478).

The United Kingdom, £37,960 (£18,283), and Canada, £12,362 (£9,828), shared the bulk of this trade; imports from the United States decreased to £274 (£3,742).

Aluminium Angles, Bars, Rods, and Tees, Plain.—Total, £7,602 (£6,660).

A substantial increase was shown by Canada, £1,264 (£852), the United Kingdom being the main country of supply, £5,727 (£5,222).

Aluminium Plates and Sheets, Plain and Strips.—Total, £143,956 (£141,522).

The United Kingdom and Canada were the chief suppliers, but while the former increased her share to £86,946 (£58,552), Canada showed a decrease to £32,524 (£41,874).

Aluminium Wire.—Total, £3,172 (£4,981).

Canada was the chief supplier, £1,645 (£2,513), followed by the United Kingdom, £1,494 (£2,461).

Aluminium Ware, n.e.i.—Total, £8,518 (£10,282).

The United Kingdom was the chief supplier, £4,912 (£5,440), the United States ranking second, £1,637 (£2,140); Canada increased her share to £577 (£23).

Bolts, Nuts, and Metal Washers, n.e.i.—Total, £48,283 (£51,216).

The United Kingdom supplied to a value of £35,123 (£38,104); United States, £8,845 (£8,223); Canada, £2,760 (£2,747); and Germany, £1,009 (£1,520).

Rivets.—Total, £6,079 (£5,985).

The United Kingdom, £3,249 (£3,482), and the United States, £1,410 (£1,707), were the two main sources of supply; Canada increased her share to £803 (£183).

Brasswork, Bronzework, and Gunmetal Work, etc.—Total, £45,272 (£47,454).

The United Kingdom was the chief supplier, £40,725 (£42,278); Canada showed a slight increase to £1,071 (£782).

Copper Pipes and Tubes, Plain.—Total, £21,213 (£13,362).

Canada was the main source of supply with a marked increase to £19,095 (£8,656); the United Kingdom's share was £2,018 (£3,558).

Copper Wire, including Stranded or Twisted Wire.—Total, £33,065 (£29,970).

The United Kingdom was the principal source of supply, but Canada increased her share to £702 (£507).

Metal Cordage, Other.—Total, £26,511 (£23,650).

Canada improved her position considerably, £5,027 (£99), following the United Kingdom, the chief supplier, with £19,916 (£21,333).

Gas Appliances, Cooking, including Gas Ranges.—Total, £40,807 (£47,794).

The bulk of the imports came from the United Kingdom, £37,188 (£40,840). Canada, however, showed an improvement in her position by almost doubling the previous year's figures, £1,859 (£958). Germany and the United States both showed decreases.

Iron and Steel (a) Rods in Coils.—Total, £5,371 (£6,981).

With an increase to £4,623 from £2,615, Canada maintained her position as chief supplier of this commodity; there were marked decreases in the imports from Germany, £417 (£2,137), and the United States, nil (£1,800).

(b) *Angles and Tees.*—Total, £9,528 (£11,765).

Canada entered this market with shipments to the value of £812, other supplies coming from the United Kingdom, £6,674 (£7,183), and the United States, £1,669 (£4,159).

(c) *Bar and Rod, Other, etc.*—Total, £230,482 (£237,351).

The United Kingdom enjoyed the bulk of this trade with £173,870 (£181,569), the next largest supplier being Czechoslovakia, £18,058 (£20,275). Canada showed a satisfactory increase to £2,880 as compared with £359 in the previous year.

(d) *Wire, Barbed.*—Total, £3,960 (£731).

Canada and the United Kingdom shared this trade, Canadian figures showing an increase to £568 (£394).

(e) *Wire, Fencing, Gauges 8 to 14 Inches.*—Total, £25,471 (£24,950).

This market was shared by Canada, £15,519 (£23,919), and the United Kingdom, £9,853 (£1,009).

(f) *Wire of No. 15 or Finer Gauge.*—Total, £78,013 (£95,279).

Canada showed a marked increase to £12,992 (£8,360), ranking next to the chief supplier, the United Kingdom, with £60,459 (£74,384).

(g) *Steel Nail Wire.*—Total, £8,265 (£9,264).

Canada was the leading source of supply, being credited with £8,460 (£9,207).

(h) *Wire, Other, Black.*—Total, £6,185 (£6,724).

Canada entered this market with shipments to the value of £251, the majority of the supplies coming from the United Kingdom, £4,503 (£6,438).

(i) *Wire, Other, Galvanized, Tinned, or Otherwise Coated.*—Total, £26,196 (£22,288).

Canada was the principal supplier, having increased her share to £12,624 from £5,009 in the previous year. The United Kingdom followed with £10,882 (£13,474), the balance coming from Germany and the United States.

Iron, Smoothing, Other than Electric.—Total, £11,155 (£10,487).

Canada was the chief supplier under this heading, £6,092 (£5,583), followed by the United States, £4,620 (£4,167), and the United Kingdom, £332 (£610).

Kitchenware (Other than Electrical Heating and Cooking Appliances).—Total, £9,199 (£8,265).

The United Kingdom, £3,912 (£3,085), and the United States, £3,141 (£4,106), were the principal suppliers; Canada increased her share to £685 (£16).

Lamps, Lampware, and Lanterns n.e.i., and Parts thereof n.e.i.—Total, £118,661 (£150,835).

The United Kingdom with £56,229 (£53,740), Germany with £15,613 (£13,374), and Hong-kong with £10,560 (£5,481), the three leading countries, all increased their contributions; decreases were shown by Canada, £7,668 (£17,102); the United States, £7,369 (£38,762); and Japan, £4,619 (£12,256). Other suppliers of importance were the Netherlands, Sweden, and China.

Oil or Spirit Heating Lamps.—Total, £20,442 (£21,957).

Sweden, £8,887 (£8,390), was the leading supplier, followed by the United Kingdom, £3,981 (£3,077); Germany, £3,822 (£4,281); Canada, £1,475 (£949); and the United States, £1,474 (£4,157).

Incandescent Mantles.—Total, £9,278 (£12,424).

The United Kingdom, £6,689 (£8,999), was the chief supplier, followed by Canada, £1,315 (£2,047).

Locks.—Total, £59,481 (£57,447).

The United Kingdom, £45,903 (£42,412), was the principal supplier, the balance coming from Germany, £6,600 (£6,563); the United States, £5,406 (£5,481); and Canada, £955 (£2,284).

Malleable Iron Castings n.e.s.—Total, £6,051 (£5,271).

Although Canada's share of this business is comparatively small, an increase was shown to £618, as compared with £429 in the previous year. Supplies were also obtained from the United States, £2,808 (£2,150), and the United Kingdom, £2,344 (£2,401).

Nails, Horseshoe.—Total, £14,278 (£14,291).

The United Kingdom controlled this market with £10,970 (£10,283), Canada sharing to a minor degree, £451 (£474).

Tacks n.e.i.—Total, £5,014 (£6,961).

The United Kingdom was the main supplier; Canada was credited with £930 (£925).

Nails n.e.i.—Total, £7,941 (£10,233).

The United Kingdom with £3,326 (£3,976) and Germany with £2,449 (£2,824) practically shared this trade; Canada supplied £953 (£1,625).

Nickel Blocks, Cubes, Ingots, Angles, Bars, Pipes, Plates, etc.—Total, £29,485 (£17,608).

Imports from Canada under this heading showed a marked improvement, increasing to £3,107 (£194); the United Kingdom was the chief supplier with £25,537 (£17,139).

Other Wrought Iron or Steel Pipes and Tubes not more than 3 Inches Internal Diameter.—Total, £96,832 (£102,320).

Although the bulk of these supplies came from the United Kingdom, £74,075 (£86,722), Canada's share showed a marked increase to £19,181 from £9,796 in the previous year.

Pins, Hooks and Eyes, and Crochet Hooks of Metal.—Total, £64,335 (£55,172).

The United Kingdom, £56,871 (£49,340), and Germany, £5,678 (£3,667), were the two main countries of supply, followed by the United States, £797 (£823), and Canada, £546 (£718).

Piston Rings, Piston Pins, and Valves for Internal Combustion Engines.—Total, £64,335 (£55,172).

Supplies were received from the United Kingdom, £8,433 (£7,823); United States, £2,302 (£7,684); and Canada, £1,762 (£1,967).

Cutlery, Spoons and Forks, n.e.i. and Knife Sharpeners.—Total, £355,081 (£347,123).

Under this heading Canada increased her share to £2,823 (£1,681). The three leading suppliers were the United Kingdom, £292,275 (£283,653); Germany, £40,763 (£43,786); and the United States, £6,353 (£5,514).

Screws n.e.i., including Sash Screws and Attachments.—Total, £10,070 (£9,060).

A slight decrease was shown in imports from Canada, £1,389 as against £1,790 in the previous year. The United Kingdom retained her position as leading supplier with £6,090 (£4,274); United States, £1,799 (£2,824); and Germany, £694 (£29).

Tools of Trade, including Axes, Hatchets, Adzes, etc.—Total, £60,838 (£53,748).

Canada was the leading supplier with increased shipments to the value of £27,810 (£24,805); the United States ranked second with £24,565 (£20,800) and the United Kingdom next with £4,520 (£5,767).

Files and Rasps.—Total, £95,833 (£98,850).

The United Kingdom with £55,949 (£55,447); Canada with £35,904 (£35,477); Sweden with £1,450 (£2,008); and Germany with £1,402 (£894) were the chief participants. Imports from the United States decreased to £468 (£3,736).

Saws.—Total, £38,106 (£41,464).

Canada was the chief supplier with shipments to a value of £21,381 (£19,017), followed by the United Kingdom, £9,734 (£11,594); the United States, £3,943 (£8,686); and Germany, £2,658 (£2,071).

Tools of Trade, All Other—Total, £611,201 (£611,445).

Canada showed a substantial increase to £47,062 (£37,388), the leading suppliers being the United Kingdom, £300,953 (£291,038); the United States, £149,033 (£161,626); and Germany, £83,212 (£87,673).

Parts and Materials Used in the Manufacture or Repair of Aeroplanes and Other Aircraft.—

Total, £87,764 (£52,556).

The United Kingdom with £66,396 (£38,268), the United States with £16,944 (£11,839), and Germany with £2,858 (£495) all increased their supplies; Canadian figures decreased to £940 (£1,817).

Axles and Axle-boxes, Roller and Ball-bearing, and Parts.—Total, £14,138 (£13,976).

While imports from the United States showed a marked decrease to £5,371 (£7,407), Canada increased her share to £2,767 (£1,463). Other supplying countries also showed increases: United Kingdom, £4,335 (£4,297); Sweden, £1,550 (£505).

Brake and Transmission Lining.—Total, £66,023 (£62,293).

A gratifying improvement was shown in imports from Canada—£17,417 as compared to £3,491 in the previous year. The United Kingdom was the principal supplier with £41,198 (£33,215), while the United States made shipments to the value of only £6,344 (£23,992).

Cycles and Cycle Parts, Horns, Warning Devices, n.e.i.—Total, £43,161 (£40,068).

A slight decrease was shown in imports from Canada, £1,035 as against £1,733. The chief countries of supply were the United States, £20,208 (£24,332); United Kingdom, £19,796 (£11,620); and Japan, £1,211 (£1,641).

Cycle, Motor Cycle, and Side Car Parts n.e.i. (excepting of Leather or Rubber)—Total, £197,961 (£219,010).

The United Kingdom dominated this market with £177,747 (£199,772); Canada supplied to the value of £613 (£692).

Valves for Pneumatic Tyres, Cyclometers, Speedometers.—Total, £82,810 (£83,678).

Quite a substantial increase was shown by Canada, £22,397 (£16,890). The United Kingdom also increased her share to £31,781 (£26,239), while the value of imports from the United States decreased to £26,959 (£38,613).

Gears for Motor Vehicles.—Total, £22,421 (£26,838).

The United Kingdom with £11,255 (£10,794) and the United States with £8,146 (£13,581) were the leading suppliers, followed by Canada with £2,869 (£1,943).

Motor Cars, Bodies.—Total, £66,854 (£20,602).

The United Kingdom with £55,670 (£14,218) and the United States, £11,120 (£6,217), practically shared this trade, Canada participating to only a small extent with £36 (£66).

Chassis, Unassembled, of Type for Commercial Vehicles.—Total, £3,651,388 (£5,277,352, including All Types of Chassis Unassembled).

This item constitutes one of Australia's chief imports, supplies coming from the following countries: United Kingdom, £1,317,324 (£1,381,074); United States, £1,308,297 (£2,222,079); Canada, £1,017,382 (£1,663,589); Italy, £4,945 (£1,317); and Germany, £2,890 (£8,668).

Chassis, Unassembled, Truck, Omnibus, or Other Commercial Vehicle.—Total, £1,597,241 (not previously recorded separately).

Countries of supply under this heading were: United Kingdom, £706,873; United States, £536,258; Canada, £344,859; and Germany, £9,218.

Chassis, Assembled.—Total, £210,011 (£230,605).

The bulk of the imports came from the United Kingdom, £157,988 (£117,561), and the United States, £31,879 (£96,292). Canada increased her share to £3,717 (£1,939).

Chassis Parts.—Total, £267,191 (£311,368).

While the leading supplier, the United Kingdom, showed an increase to £99,590 (£73,563), decreases were shown by both the United States, £120,094 (£165,254), and Canada, £43,923 (£70,169).

Railway and Tramway Vehicles, Shock Absorbers.—Total, £64,140 (£70,958).

The countries participating in this trade were: United Kingdom, £28,244 (£16,819); United States, £19,553 (£34,381); and Canada, £16,261 (£19,596).

Vehicle Parts n.e.i., Motor.—Total, £491,139 (£503,275).

The two leading suppliers were the United Kingdom, £224,930 (£122,502), and the United States, £175,706 (£261,470); followed by Canada with £72,875 (£98,228) and Germany, £16,899 (£20,411).

Windscreens.—Total, £4,393 (£5,078).

The United Kingdom obtained the bulk of this trade with £4,105 (£1,431), while imports from the United States, £135 (£1,538), and Canada, £110 (£2,109), showed large decreases.

Woven Wire for Paper-making Machines.—Total, £4,468 (£3,590).

The bulk of this commodity came from the United Kingdom, £4,056 (£3,327); Canada increased her share to £275 (£263).

Wire Suitable for Fly Doors and Windows.—Total, £776 (£2,255).

Japan previously dominated the market for this item; imports from that country fell to £130 (£1,694). Canada also showed a decrease, £147 (£348), while the United Kingdom's share increased to £346 (£150).

Manufactures of Metal n.e.i., Wholly of Brass, Bronze, and Gunmetal.—Total, £31,661 (£39,384).

The bulk of these commodities came from the United Kingdom, £24,564 (£30,253); other suppliers were the United States, China, Germany, Japan, and Canada, £192 (£545).

Manufactures of Metal n.e.i., Other.—Total, £704,421 (£689,481).

The United Kingdom was the chief source of supply with £520,795 (£488,775), followed by the United States, £90,313 (£108,817); Germany, £40,633 (£32,459); and Canada, £10,461 (£9,062).

AUSTRALIAN WHEAT AND FLOUR

FREDERICK PALMER, CANADIAN TRADE COMMISSIONER

Melbourne, June 16, 1938.—The area under wheat harvested in Australia in 1937-38 is now estimated at 13,700,000 acres and production at 186,900,000 bushels. Corresponding figures for 1936-37 were 12,300,000 acres and 151,400,000 bushels, and for the previous decennium 14,200,000 acres and 162,800,000 bushels. The estimated average yield for 1937-38 is 13.62 bushels per acre, or 2.19 bushels in excess of the average for the previous decennium.

WEATHER CONDITIONS

Moisture conditions throughout the wheat-growing belts are mainly satisfactory, rainfall during the past week having been most beneficial. Further rain, however, is required in the Riverina district of New South Wales and in the Mallee in Victoria, where falls to date have been light.

WHEAT EXPORTS

Exports of wheat and flour from Australia to the United Kingdom for the nine months ended March, 1938, totalled 36,000,000 bushels and represented 27 per cent of the total wheat imports in that period. For the corresponding period of last year imports from Australia accounted for 24,000,000 bushels out of a total of 141,000,000 bushels, or 17 per cent.

FLOUR

There has been a strong inquiry for flour for shipment to North Chinese ports, but business is difficult owing to the weakness of Chinese currency.

Mr. Palmer cables from Melbourne under date July 18 as follows:—

Shipments of wheat and flour from Australia from December 1 to the week ending July 13 totalled 99,794,948 bushels as compared with 74,639,192 bushels in the corresponding period of the previous crop year. South African purchases amounted to 60,000 tons, but no further sales are anticipated. The demand from the United Kingdom is subsiding, due mainly to the cheapness of Danubian offers. The Orient is showing practically no interest in wheat.

The price of wheat to growers at country sidings is 3s. 2d. per bushel (equivalent to 63 cents Canadian), while the f.o.b. price is 3s. 10d. per bushel (equivalent to 76 cents). Farmers are holding firmly to their stocks of wheat

owing to the unattractive prices, and only a small balance of 500,000 tons remains uncommitted. Action is being considered in all states to stabilize the domestic wheat prices.

New crop conditions continue patchy, as more rain is required to maintain normal growing conditions. The acreage sown to wheat is expected to show an increase of 3 per cent.

The season's shipments of flour to date amounted to 406,882 tons as compared with 334,518 tons during the corresponding period last season. The increase was mainly due to Chinese purchases during the current month of two and a half cargoes of flour destined for Tientsin at an f.o.b. rate at Sydney of £7 10s. per ton of 2,000 pounds (equivalent to \$29.65 Canadian), with freight costs of 20s. sterling per ton of 2,240 pounds. Despite exchange difficulties further purchases from this source are anticipated. Export quotations for flour are £7 12s. 6d. per ton packed in 49-pound calico bags (equivalent to \$39.14) and £7 5s. per ton in 150-pound sacks (equivalent to \$28.61). The price of flour delivered in Melbourne and suburbs is £9 per ton of 2,000 pounds (equivalent to £35.57).

SHORT-PAID LETTERS TO SOUTH AFRICA

Since the Empire Air Mail Scheme became effective on February 23 last, all first class mail (letters, postcards, and other articles prepaid at letter rate) posted in Canada for certain Empire countries is carried exclusively by air *beyond England* as the normal means of transmission.

In this connection the Canadian Trade Commissioner at Cape Town requests that the attention of Canadian firms be directed to the fact that the minimum letter rate from Canada for correspondence addressed to the Union of South Africa is 6 cents per half-ounce for letters and 4 cents for postcards.

The under-stamping of mail to the Union, besides being a source of considerable annoyance in that it necessitates payment by the recipient of double the deficiency in postage, is the occasion of much inconvenience and delay in the delivery of important business communications.

MARKET FOR LADIES' HANDBAGS IN HONGKONG

V. E. DUCLOS, CANADIAN TRADE COMMISSIONER

Hongkong, June 27, 1938.—Due to the fact that there are no specific figures available covering the importation of handbags into Hongkong, it is difficult to secure accurate information as to the actual volume of business done in this line. However, the demand is steady the year round and has increased considerably during the past three or four years, due principally to the development of Western tastes by Chinese ladies, both of the wealthier and middle classes.

At the present time, owing to the hostilities in China proper, the population of Hongkong has greatly increased, with a resultant concentration of wealth in the colony, and, therefore, a relatively higher purchasing power than is usual. French, Austrian, Czechoslovakian, British, and United States manufacturers are all catering to this trade with an extensive variety of qualities and styles. There is a market in Hongkong for the most expensive types of handbags. In fact, there are excellent opportunities for the sale of any article which takes the fancy of the wealthier Chinese, regardless of price.

It is difficult to determine accurately the price ranges suitable for this market, but there is a demand for both cheap and expensive types. Styles are of primary importance and must be in accord with current fashion.

BUSINESS METHODS

It is customary for manufacturers to do business through local representatives, paying a commission of from 5 to 10 per cent, although some of the large departmental stores place orders direct. Experience has shown, however, that the utilization of the services of an agent is the most satisfactory method, since it enables a thorough canvass of retail outlets being made as against the display of only one complete set of samples. In addition, a conservative agent will not solicit orders from any but thoroughly reputable concerns. In connection with these orders, the agent will usually instruct his principals to ship direct to individual accounts, drawing on them at sight and crediting him with the commission, which is remitted at stated intervals.

Canadian manufacturers of ladies' handbags who are desirous of entering the Hongkong market should in the first instance provide this office with particulars concerning their offerings, illustrated catalogues (if available), and an indication of prices, preferably c.i.f. Hongkong, although f.o.b. factory quotations are satisfactory. On receipt of such data, prospective agents will be interviewed, and if they are interested, the Canadian manufacturers will be advised and a representative range of samples requested.

WHEAT AND FLOUR TRADE REGULATION IN THE NETHERLANDS

J. A. LANGLEY, CANADIAN TRADE COMMISSIONER

(One guilder or florin equals approximately Can.\$0.56 at the current rate of exchange, at which all conversions have been made. One metric ton equals 2,205 pounds; one kilo equals 2.2 pounds.)

WHEAT

Rotterdam, July 2, 1938.—With no currency restrictions, a comparatively low milling percentage for the home-grown product, and without a high import duty, the Netherlands is one of the few remaining important purchasers of foreign wheat. As a traditionally free trade country and ill adapted for the production of cereals, the Netherlands was one of the last nations of Europe to interfere in any way with the grain trade. Up to the middle of 1931 only foreign wheat, which was admitted without restriction, was used by Netherlands mills grinding white flour for ordinary bread-making purposes. The domestic crop, which averaged about 5,750,000 bushels per annum, was used exclusively for feeding purposes and for the manufacture of whole-wheat flour.

VOLUME OF IMPORTS

During the five-year period 1929 to 1933 imports of wheat into the Netherlands averaged 26,477,200 bushels per annum. In 1934, when the effect of the enforced use of the domestic product was evident—to which reference will subsequently be made—the quantity entering the country dropped to 18,141,000 bushels. In 1935 it rose to 19,450,000 bushels, but in 1936 arrivals fell to 17,232,000 bushels. In 1937 there was again an increase, and imports totalled 20,888,000 bushels. This increment is due to the fact that last year's domestic wheat crop was unsatisfactory.

In 1935 imports from Canada amounted to only 18.3 per cent of the total imports or roughly 3,561,000 bushels, Argentina ranking first with 60 per cent or 11,640,000 bushels. In 1936 the Dominion was the chief supplier, shipping 55.8 per cent of total imports or approximately 9,564,000 bushels, while arrivals from Argentina accounted for roughly 9.3 per cent or 1,694,000 bushels. In 1937 Canada was in third position, supplying 20.75 per cent or 4,335,000 bushels;

Argentina was first with 28.44 per cent or 5,941,000 bushels, and the United States second with 23.76 per cent or 4,964,000 bushels. As regards the period January-May, 1938, the position of the four leading suppliers was as follows:—

Netherlands Imports of Wheat, January to May, 1938

	Bushels	Percentage
United States	4,395,000	51.33
Argentina	1,543,500	18.03
Soviet Russia	1,120,500	13.09
Canada	784,600	9.17

The following table gives details of wheat arrivals from the chief supplying countries for the years 1933 to 1937 and for the period January to May of the current year:—

Netherlands Imports of Wheat

	1933	1934	1935	1936	1937	Jan.-May, 1938
	Figures in Metric Tons					
Total	735,936	493,670	529,265	468,908	568,387	232,967
Germany	82,091	16,952	9,808	39,405	973	.....
Belgium	9,519	15,782	12,388	4,612	6,078	1,954
Great Britain . . . . .	.....	1,947	45	5,454*	1,042	.....
France	12,382	745	.....	2,180	.....	218
Czechoslovakia . . . . .	.....	.....	.....	594	2,639	.....
Soviet Russia	77,303	18,033	24,681	17,889	38,931	30,490
Poland	1,005	.....	.....	65	990	.....
Denmark . . . . .	.....	.....	.....	.....	2,467	2,864
Sweden . . . . .	.....	3,410	22,321	4,028	.....	.....
Bulgaria	203	395	223	.....	.....	.....
Roumania	38,131	67,257	150	26,053	77,373	12,737
Egypt . . . . .	.....	.....	.....	.....	600	.....
Yugoslavia . . . . .	.....	400	749	2,716	4,863	.....
Turkey . . . . .	.....	.....	.....	.....	297	584
French Morocco	2,110	1,483	.....	.....	132	.....
French West Africa . . . . .	.....	.....	.....	.....	119	.....
Canada	231,643	88,330	96,905	260,253	117,968	21,350
Argentina	209,989	241,549	316,748	46,094	161,661	42,000
Uruguay . . . . .	.....	855	9,560	2,371	4,994	501
United States	44,129	34,968	34,455	48,907	135,070	119,592
Australia	27,044	.....	.....	8,282	12,185	493

* Including 4,095 tons of Russian origin.

WHEAT MIXING LAW

The initial legislation affecting the wheat trade was the Wheat Act of 1931, which became effective on July 4, 1931. It was originally intended to be of a temporary nature and was to expire on August 1, 1934. Its operation was, however, extended by a subsequent decree. This legislation provided that flour used for ordinary bread-making purposes should contain a minimum of 20 and a maximum of 30 per cent of domestic wheat. By an amendment to this Act, the maximum was subsequently raised to 40 per cent.

Particulars as to the percentages of domestic wheat which have had to be used since the inception of the Act have been as follows:—

	Per Cent
July 4, 1931, to September 7, 1931	20
September 7, 1931, to August 8, 1932	22½
August 8, 1932, to February 13, 1933	25
February 13, 1933, to present	35

It is still possible to add another 5 per cent to make a total of 40 per cent before the legal maximum is reached.

For the purpose of marketing domestic wheat a “Central Wheat Organization” was created, which was superimposed on eight local district organizations set up concurrently and of which the wheat producers were to be members. The Central Wheat Organization is the only seller of domestic wheat under the

Wheat Act. As an adjunct to the Central Wheat Organization, a second or buying body was also formed—the Association of Inland Wheat Consumers—which purchases wheat on behalf of the millers.

In the beginning the Central Wheat Organization paid the farmer fl.12.50 per 100 kilos (approximately \$7 per 3.67 bushels) for his wheat. This sum was subsequently lowered to fl.12 (approximately \$6.72), and in 1934 to fl.11 (approximately \$6.16). In 1935 it was again decreased to fl.10 (approximately \$5.60), while fl.9 (approximately \$5.04) was paid for the 1936 harvest. The amount paid for the 1937 crop was slightly higher and amounted to fl.9.25 (approximately \$5.18). For the 1938 crop it has been fixed at fl.10 (approximately \$5.60 per 3.67 bushels).

The flour milling industry through the Consumers Association purchases this wheat for fl.14.70 per 100 kilos (approximately \$8.23 per 3.67 bushels). The high price is passed on to the consumer of bread.

AGRICULTURAL CRISIS LAW

The Wheat Act, as outlined in the preceding paragraphs, continued in force until superseded by an Act of May 5, 1933, known as the "Agricultural Crisis Law." This new statute unified and embodied all existing legislation, including the Wheat Act. It was possible, therefore, to repeal the latter, and this was done by an enactment of July 27, 1934, as its functions had been completely absorbed by the Agricultural Crisis Law. This succeeding law, in addition to carrying on the mixing prescriptions of its predecessor, vested in the Government arbitrary power to take whatever steps were deemed necessary to assist and regulate the trade in a number of agricultural products, including wheat. These commodities were termed "crisis products."

CONTROL OF IMPORTS

By virtue of the Agricultural Crisis Law, a second measure of restraint was placed on the wheat trade from August 14, 1933, when the Government adopted through the medium of the Central Wheat Organization what was designated as a monopoly of imports. At the same time an import levy was imposed, known as a monopoly tax.

From the date mentioned, the unrestricted importation of wheat which had hitherto prevailed was abolished. While the monopoly did not take the place of private trading, it confined this trade to established firms and individuals and made it necessary that they secure import permits from the Central Agricultural Office in The Hague, which had the right to grant or refuse these permits for any exporting countries. It was further specified that there would be a tax for these permits of fl.1 per 100 kilos (approximately \$0.56 per 3.67 bushels) of wheat. On November 18, 1933, this tax, which is applicable to imports from all countries, was increased to fl.1.50 per 100 kilos (approximately \$0.84 per 3.67 bushels), and on September 4, 1935, to fl.2 (approximately \$1.12 per 3.67 bushels). Subsequently, however, wheat prices on world markets advanced, as a result of which it became necessary to increase the price of bread. The Government then decided to lower the monopoly tax (which in effect is the equivalent of an import duty) on certain cereals and cereal products. Effective April 26, 1937, the levy on wheat was reduced to fl.1 per 100 kilos (approximately \$0.56 per 3.67 bushels), but on April 3, 1938, it was again increased to fl.1.50 per 100 kilos (\$0.84 per 3.67 bushels or \$0.23 per bushel).

The monopoly control enables the Netherlands, if it is so desired, to divert wheat imports to countries with which bilateral treaty arrangements are in effect. It can also be used to assist trade balances, as has been done with certain European countries whose wheat is accepted only against the importation by them of certain quantities of Netherlands or Netherlands colonial merchandise.

a manufactured product, however, the former receives a higher degree of protection than the raw material, wheat.

Prior to July 4, 1931, there were no import restrictions or duties on flour when imported into the Netherlands. Owing to the social legislation which prohibited night labour in the bakeries and made a quick-working flour necessary, the most favoured varieties were those milled from the softer wheats grown in Kansas and Oklahoma. However, a fair trade was done in the Canadian product.

PROVISIONS OF THE WHEAT MIXING LAW

The Wheat Mixing Law, which came into force on July 4, 1931, prescribed that bakers must use flour containing a specified percentage of home-grown wheat. Millers could readily adjust their grists accordingly, but the mixing of flour after its manufacture is impracticable. It was therefore apparent that the domestic milling industry would have a monopoly of the domestic market, and that the import trade would cease entirely.

In order to prevent this and as a concession to flour importers, the relevant legislation was therefore framed to allow the continued use under certain conditions of small and limited quantities of unmixed flour. The product was by the law divided into two categories, which were designated "wheat flour A" and "wheat flour B." The former is the flour which must contain the proportion of domestic wheat as laid down in the Act; the latter may be milled from 100 per cent of foreign wheat.

It was stipulated that "wheat flour B" may only be transported and sold for the account of an organization appointed by the Government to control the trade in it. This body is known as the Central Flour Office.

It was further stated that "wheat flour B" could only be stocked on condition that it be either handled according to instructions and for the account of the Central Flour Office or that it be worked:—

- (a) to products destined for export to foreign countries;
- (b) to products designated by the Ministry under whose jurisdiction the Act comes;
- (c) in bakeries working "wheat flour A."

As regards the products referred to under (b), the following are defined: rusks, biscuits, wafers, self-raising flour, vermicelli, macaroni, and starch. Concerning (c), each bread baker was allowed to use "wheat flour B" to the extent of one-nineteenth of his consumption of "wheat flour A," which is 5 per cent of his total consumption of A and B. For pastry bakers the proportion allowed was 40 per cent.

MONOPOLY TAX ON FLOUR

Concurrently with the enactment of the Mixing Law, the Central Flour Office imposed a levy of fl.2 per 100 kilos (\$1.12 per 220 pounds) on all "flour B" which was sold. Subsequently this tax has been increased and lowered, and since June 20, 1938, it has amounted to fl.4.80 per 100 kilos (\$2.69 per 220 pounds).

PRESENT SITUATION

Under the original legislation bread makers and pastry bakers were permitted to use respectively 5 and 40 per cent of "wheat flour B" individually and not collectively. The total of unmixed flour used for the manufacture of bread was therefore considerably less than 5 per cent of the total consumption.

In order to facilitate the making use of the entire allotment, by virtue of a decree of March, 1935, it was made lawful for bakers to utilize up to 25 per cent of imported "wheat flour B" provided they could obtain the 20 per cent over and above the 5 per cent to which they were entitled from other bakers who

used no unmixed flour. Similarly the privilege was extended to pastry bakers by increasing their permissible maximum to 80 per cent. In other words, the baking industry as a whole may now, up to the limits set, use "wheat flour B" on a semi-collective basis instead of individually as before. In this connection an office has been established in Amsterdam to administer the machinery of distribution.

Reference has already been made to the Netherlands-United States commercial treaty in so far as it deals with wheat. The same accord contains a clause which binds the Netherlands to purchase annually from mills in the United States a quantity of wheat flour equivalent to not less than 5 per cent of the yearly wheat flour consumption of the Netherlands. This 5 per cent is estimated at about 30,000 metric tons. It is also provided that this American flour must be competitive both as regards price and quality. As a result of this treaty, imports from other countries are being adversely affected.

FLOUR IMPORTS

Before the introduction of restrictions the Netherlands was one of the leading flour markets of Europe, with annual imports averaging in excess of 150,000 metric tons. In 1935 they amounted to 41,519 metric tons, while during 1936 and 1937 totals of 62,641 and 64,707 metric tons respectively were brought into the country. During the first five months of the current year 30,716 metric tons arrived in the Netherlands.

Whereas in 1935 Canada supplied 9.37 per cent of total imports, this figure decreased to approximately 6½ per cent in 1936 and to 1.79 per cent in 1937. For the period January to May, 1938, Canada's share was only 1.66 per cent.

Details of Netherlands flour imports from principal supplying countries for the years 1933 to 1937 and the first five months of the current year are as follows:—

Netherlands Imports of Flour

	1933	1934	1935	1936	1937	Jan.-May, 1938
	Figures in Metric Tons					
Total..	44,951	38,906	41,519	62,641	64,707	30,716
Germany	5,071	5,453	668	78	52	.....
Belgium	429	227	511	409	1,564	1,181
Great Britain	1,235	1,415	2,264	4,535	3,477	968
France	14,739	16,535	16,528	10,273	8,133	2,649
Poland .. . . .	.....	.....	688	8,126	1,965	100
Italy	4,396	3,451	2,199	45	100	.....
Hungary	35	50	3,061	6,247	209	255
Austria .. . . .	.....	.....	.....	.....	204	.....
Yugoslavia .. . . .	.....	.....	.....	.....	1,824	.....
Switzerland	586	1,462	1,753	.....	.....	.....
Turkey .. . . .	.....	.....	.....	.....	.....	150
Algeria .. . . .	.....	.....	.....	.....	.....	267
Canada	5,024	2,903	3,890	4,060	1,156	196
Argentina .. . . .	.....	.....	.....	401	1,924	578
United States	11,475	7,203	8,964	25,507	39,063	20,954
Australia	1,961	180	992	2,879	5,029	3,385

IMPORT DUTY

Under the Netherlands tariff flour is dutiable at 1 per cent ad valorem unless packed in containers weighing 2.64 pounds or less. There is, however, the monopoly tax of fl.4.80 per 100 kilos, to which reference has been made, and which is the equivalent of a duty of \$2.69 per 220 pounds.

CURRENCY RESTRICTIONS

There is no transfer moratorium in the Netherlands so far as imports from Canada are concerned. Payment is made under normal conditions.

NETHERLANDS MARKET FOR HONEY

J. A. LANGLEY, CANADIAN TRADE COMMISSIONER

(One kilo equals 2.2 pounds; one metric ton equals 2,205 pounds; one florin or guilder equals approximately \$0.56 Canadian at the current rate of exchange)

Rotterdam, July 9, 1938.—There is a considerable market in the Netherlands for foreign honey for use by confectioners as an ingredient in cakes and pastry. Figures for domestic production are not available, but the crop is small and confined mostly to clover honey for table use, which is not directly competitive with the imported product. Cuba is the principal supplier, followed in 1937 by Mexico, France, Guatemala, the United States, and Canada. Buckwheat honey from the Dominion is appreciated and bought whenever prices are competitive and supplies available. The likelihood of a good honey crop in Canada during the coming season has been brought to the attention of Netherlands importers and they have all expressed a keen interest.

The following table shows the countries of origin of honey imported into the Netherlands during 1936, 1937, and the first five months of the current year:—

NETHERLANDS IMPORTS OF HONEY

	1936		1937		Jan.-May, 1938	
	Metric Tons	1,000 Florins	Metric Tons	1,000 Florins	Metric Tons	1,000 Florins
Total	4,492	703	4,873	911	2,687	473
Belgium . . . . .	....	....	2	1	....	....
United Kingdom	5	1	24	4	....	....
France	244	87	287	99	188	51
Canada	215	45	110	28	....	....
Chile	34	6	32	6	....	....
Costa Rica	62	10	6	1	....	....
Cuba	2,132	293	3,305	563	1,845	304
San Domingo	473	61	38	7	....	....
Haiti	110	14	42	7	....	....
Mexico	748	102	618	102	366	60
Curacao	10	1	....	....	....	....
Salvador	18	2	16	3	....	....
Surinam	24	3	....	....	....	....
Venezuela	7	1	....	....	....	....
United States	256	51	179	44	146	29
Guatemala	143	24	180	39	67	16
Australia . . . . .	....	....	23	4	....	....

The drop in imports from Canada since 1936 is due to scarcity of supplies in the Dominion.

PACKING

The local trade prefers barrel packing, as this form is favoured by the bakeries and factories where the honey is used. Cuban shippers use large casks of 50 gallons capacity, weighing about 550 pounds each. French honey arrives chiefly in barrels of 100 kilos (220 pounds). New barrels are preferred to second-hand ones.

PRICES

Domestic honey is mostly made up in glass jars and is sold by the producers to the retail trade. Prices vary slightly; good quality buckwheat and clover honey in jars of 1.1 pound is sold by the retailers to the consumers at from \$0.40 to \$0.50 per jar.

Foreign honey is supplied by the exporters to Netherlands importers, either direct or through the medium of brokers. The importers in turn sell to the confectioners, although several large cake and pastry manufacturers import on their own account. Foreign honey is not sold by retailers.

Prices of buckwheat honey at the beginning of September, 1936 and 1937, and on June 15, 1938, were as follows:—

	Sept., 1936	Sept., 1937 Per 220 Pounds	June, 1938
Cuban, c.i.f.	\$10.75 to \$11.00	\$10.00	\$10.00
Mexican, c.i.f.	10.75	10.25	9.25
French, f.o.b.	23.65	22.82	.....
Canadian, c.i.f.	14.30	15.40	13.75 to \$13.38

French honey, which comes principally from Brittany, is of high quality and is regarded as being the standard for the buckwheat type.

EXPORTS OF NETHERLANDS HONEY

Exports of liquid table honey from the Netherlands are small. In 1936 shipments totalled only 10 metric tons, and in 1937 they amounted to 20 tons, of which 5 tons were destined for Belgium and the Netherlands East Indies and 6 tons for Great Britain. During the period January-May of the current year only 7 metric tons of domestic honey were sent abroad.

GOVERNMENT ASSISTANCE

Neither domestic production nor exports of Netherlands honey are assisted by the Government. There is, however, a government station at Wageningen, where expert advice is given gratuitously on all matters pertaining to apiculture.

DUTIES

The Netherlands import duty on honey in bulk is fl.5 per 100 kilos (\$2.80 per 220 pounds), plus 1 per cent ad valorem.

When packed in containers weighing 1.2 kilo (2.64 pounds) or less, the rate is 13 per cent ad valorem plus fl.27.15 per 100 kilos (\$15.20 per 220 pounds).

Import duties are levied on the c.i.f. value of the merchandise.

In addition there is a turnover tax of 4 per cent on the duty-paid value. This tax, however, is also payable on domestic honey.

The above rates apply to imports from all sources. There are no preferential duties, import quotas, or payment restrictions. Only the ordinary commercial invoices are required.

STOCKS

In view of the fact that the domestic honey production is very small, there are never large stocks on hand, as they are usually cleared when the new crop comes on the market.

WHEAT SITUATION IN FRANCE

J. P. MANION, ASSISTANT COMMERCIAL ATTACHÉ

Paris, July 8, 1938.—For the first time since the institution in 1936 of the National Wheat Office to regulate the internal and external trade of France in wheat and to fix prices, the machinery set up for handling the crop will have to deal with an overproduction.

While it is still too early to review all the changes in the law which will be required by the new situation, some indication may be given of the surplus which will have to be marketed if it is not to be carried over into the following crop year.

Although most estimates of the coming crop range between 9,000,000 and 9,500,000 metric tons (of 2,204 pounds), the more conservative forecasts do not exceed 8,700,000 tons or 318,000,000 bushels.

CONSUMPTION

Normal consumption of wheat in France has been decreasing for many years, due to the greater diversity of foods, and, to an important extent, to the poorer quality of the bread since the imposition of restrictions on the importation of strengthening wheats of the Manitoba type. According to some estimates, consumption for food and seeding does not exceed 6,700,000 tons, but for the current year it is considered that 7,000,000 tons (256,700,000 bushels) will be required to meet the maximum consumption demand.

In addition to domestic production, France usually takes considerable quantities of North African wheat, partly semi-strong varieties and partly durum. According to the latest estimate, production in French North Africa will total 1,950,000 metric tons or 71,500,000 bushels, approximately equal to the total yield in 1937.

As the French dependencies will require approximately 1,499,000 tons to meet domestic consumption, the volume of wheat available in North Africa for export to France will be in the neighbourhood of 451,000 tons, or 16,500,000 bushels.

It has always been necessary for France to import certain quantities of strengthening wheats from Canada. Although these imports have been greatly reduced in recent years, it is improbable that they will go below the lowest level reached since 1926, namely, 6,000,000 bushels.

The situation may therefore be summarized as follows:—

	Bushels
Domestic production	318,000,000
Imports from North Africa	16,500,000
Imports from Canada	6,000,000
Available supplies	340,500,000
Normal consumption	256,700,000
Surplus	83,800,000

Efforts will be made to liquidate this surplus. The price of domestic wheat is likely to be fixed at over 200 francs per quintal (220 pounds). Since Canadian wheat can be bought at 150 francs per quintal, French wheat could not be sold on world markets at over 120 francs a quintal.

Rather than accept this heavy loss, it is likely that security stocks of up to 20,000,000 bushels will be set aside; up to 8,000,000 bushels will be distilled into industrial alcohol for defence purposes; up to 12,000,000 bushels will be denatured for use as feed; and normal consumption will be increased by the artificial means of lowering the extraction rate for bread flour. This rate, at present 74 per cent, may be lowered to 67 or 68 per cent, which would increase consumption by almost 10 per cent or 25,000,000 bushels. The by-products from milling could be used for feed, since there will probably be a serious shortage of feedstuffs in France during the current year.

All these measures could presumably account for up to 65,000,000 bushels of the surplus, and the remaining 20,000,000 bushels could be carried over or sold to such countries as Italy or Spain without excessive cost to the Government.

Although the French Empire will have a large surplus, every effort will be made to absorb it internally. About 6,000,000 bushels of foreign wheat—probably Canadian—will be imported, and at most not more than 20,000,000 bushels of French wheat will reach world markets.

TRADE OF THE FRENCH COLONIES IN 1937

J. P. MANION, ASSISTANT COMMERCIAL ATTACHÉ

Paris, July 7, 1938.—A preliminary statement covering the trade of the French colonies in 1937 has just been published. This statement shows that the value of imports from all sources into all the colonies totalled 12,898,300,000 francs, and that of exports 13,815,600,000 francs. Final returns for Martinique, Guadeloupe, and the New Hebrides are not available, but, on the basis of figures for former years, the value of imports into these three colonies would be about 320,000,000 francs, and of exports about 425,000,000 francs. Converted into dollars at an average rate of exchange of 25 francs to the dollar, the total value of imports is approximately \$528,700,000 and of exports \$570,000,000.

DISTRIBUTION OF IMPORTS

Algeria is the most important colonial market, taking goods to the value of 3,900,000,000 francs or about \$156,000,000, of which 78·2 per cent (\$122,000,000) came from France. The next most important market is Morocco, which bought goods to the value of 1,765,000,000 francs (\$70,600,000). In this case, however, the proportion of purchases from France is only 31·6 per cent, so that the value of purchases from foreign countries totalled \$48,280,000, or 40 per cent more than those of Algeria.

While Indo-China, French West Africa, Tunisia, and Syria follow in that order as purchasers from all sources, they import respectively 53·4, 43·9, 59·9, and 13·3 per cent of their goods from France. Among these four importers from foreign countries, Syria ranks first (\$37,160,000), followed by French West Africa (\$34,240,000), Indo-China (\$29,280,000), and Tunisia (\$21,240,000).

Therefore of total imports by the colonies from countries other than France valued at \$246,000,000, Morocco is the largest purchaser, taking nearly 20 per cent of all imports. Syria comes second with 15 per cent, French West Africa third with 14 per cent, and Algeria next with 13·5 per cent. Indo-China and Tunisia are credited with 12 and 8·5 per cent respectively of all foreign purchases.

The remaining \$40,000,000 worth of foreign goods is distributed in the order given among the following colonies or dependencies: Cameroons (\$8,800,000), French Equatorial Africa (\$6,400,000), French Somaliland (\$6,000,000), Madagascar (\$5,000,000), Reunion (\$3,600,000), French Colonies in India (\$3,000,000), Togoland (\$2,800,000), and New Caledonia, French Oceania, French Guiana, and St. Pierre and Miquelon.

No details are yet available as to the sources of foreign goods imported.

HONEY MARKET CONDITIONS IN FRANCE

J. P. MANION, ASSISTANT COMMERCIAL ATTACHÉ

Paris, July 2, 1938.—The use of table honey is greatly restricted in France. It is unknown as a breakfast spread and rarely used in pure form as a dessert or syrup. On the other hand, gingerbread, nougat, and various other confections are fairly common, and cheap types of honey are used for these purposes.

PRODUCTION

Although average production is stated to be well over 22,000,000 pounds per annum, it has been less than that figure for several years. In 1936, the latest year for which data are available, production was 16,820,000 pounds.

Exports during the same year amounted to 1,060,000 pounds, and imports were 1,020,000 pounds. Consumption is therefore approximately 16,500,000 pounds, and when production is much higher, France would probably be in a position to export honey.

While it is difficult to estimate production for 1938, generally speaking the present season has been one of very heavy flowering of all vegetation. Conditions in the early spring were beneficial, and although the fruit crop has been severely damaged by frosts, development was otherwise good until unusual drought conditions adversely affected further growth. However, most of the plants had previously been in flower. There is every indication, therefore, that the production of honey will be larger than that of 1936, although less than average.

IMPORT QUOTAS

This is borne out by the amounts of the quota allotments. The total import quota in 1936 was 1,760,000 pounds for industrial use and 385,000 pounds for direct consumption; in 1937 the quota was 880,000 pounds and 165,000 pounds respectively; while for the first six months of 1938 the quota has been fixed at 330,000 pounds for industrial use and 55,000 pounds for human consumption.

In 1937 there was besides the regular quota a special allotment of 660,000 pounds for industrial use at the end of the year. Total imports under the quota therefore amounted to 1,570,000 pounds, of which 1,153,000 pounds came from Cuba and the remainder from Mexico, California, and French Guinea. Of this amount, the United States supplied 130,000 pounds.

PRICES

Average declared value of imported honey in 1937 was $2\frac{3}{4}$ francs per kilogram. Since the average value of the franc was 4 cents, this would be equivalent to approximately 5 cents a pound, indicating that only the lowest-priced honey is imported.

Present domestic quotations are between 4 and 5 francs a kilo for red buckwheat honey, and between 9 and 10 francs per kilo for good-quality clear white honey. These prices are equal to between 5 and 7 cents a pound for the poorer qualities and 12 to 14 cents a pound for the best qualities. No foreign quotations are available, since there is no quota at the present time.

Duty-paid quotations on imported honey would have to be equal or lower than these prices if domestic production, as expected, is sufficient to meet the demand.

DUTIES

The minimum tariff rate of duty applicable to Canada is 175 francs per 100 kilos gross weight, equal to slightly over 2 cents per pound, c.i.f. Quotations should therefore be not higher than 12 cents per pound for the best qualities in order to interest the trade.

PACKING

There is no market for honey packed in small containers for domestic use. Packing must be in 60-pound cans (net weight), two of these being shipped in one case. For very cheap qualities oak barrels may be acceptable, each containing 300 kilos (used for shipments from Mexico) or 230 kilos (used for shipments from Cuba).

CROP REPORTS FOR NORWAY AND DENMARK

RICHARD GREW, CANADIAN TRADE COMMISSIONER

NORWAY

Oslo, July 7, 1938.—The second report of the Director of the Norwegian Department of Agriculture on the condition of crops at the end of June states that with the exception of a brief period at the beginning of the month the weather was exceptionally cool in most parts of the country throughout June. The rainfall has been somewhat unevenly distributed, and in certain districts drought has caused some damage. On the whole, however, the crop prospects are described as being good throughout the country.

According to the preliminary estimates, the hay crop is expected to be 100 per cent of a normal year for cultivated fields and 99 per cent for natural fields. The condition of the grain crops is somewhat variable in the different districts, but the prospects on the whole are considered quite promising. The present estimates are as follows: spring wheat, 100 per cent; autumn wheat, 99; spring rye, 99; autumn rye, 96; barley, 97; and oats, 100 per cent of a normal year.

The potato crops have suffered some damage in certain districts as a result of the cold, wet weather, this also applying to the root crops. The potato crop is expected to be 98 per cent of a normal year, while turnips are estimated at 96 per cent and swedes at 97 per cent. The fruit crops are very disappointing, particularly apples.

DENMARK

The first crop report issued by the Danish Department of Statistics, dated July 6, covers only crop prospects for hay and the condition of pasture fields. According to this report, the crops are considerably below normal owing to the cold and dry weather experienced throughout the spring and early summer months. The figures in percentages of an average year are given as follows: in Jutland, hay from cultivated fields 75, and hay from natural fields 74; on the islands, hay from both cultivated fields and natural fields, 81 per cent. The condition of the pasture fields is described as being 84 per cent of an average year in Jutland and 93 per cent on the islands.

EXCHANGE AND FINANCIAL REGULATIONS IN BOLIVIA

S. G. MacDONALD, ACTING TRADE COMMISSIONER

Lima, Peru, June 23, 1938.—Although a new exchange law was brought into effect in Bolivia on March 7, 1938, amending the former law, it was amended only a month later and superseded on June 11 by an entirely new law.

The law of March 7 provided for three distinct rates of foreign exchange: bolivianos 100 to the pound sterling for government expenditure; bolivianos 120 to the pound sterling for certain articles of prime necessity; and bolivianos 160 to the pound sterling for other articles. This last-mentioned rate, known as the "free" rate, was abolished on April 9, but shortly afterwards was reintroduced, apparently by arrangement between the Government and the banks, as no new decree law was issued. As uncertainty continued, by decree of June 11, 1938, the three distinct rates were abolished and a uniform rate of exchange of bolivianos 140 to the pound sterling for all transactions, for any purpose, was declared.

This instability with respect to exchange rates is due to the critical financial situation in Bolivia arising from the restricted export of tin and the low quotations for this metal in the world market. This has brought about a reduc-

tion of sterling income, with the result that at the end of May, 1938, the budget for 1938 showed a heavy deficit. While for the several months preceding that date (May 31) it was anticipated that budgetary difficulties would become acute, the provision of several exchange rates was considered adequate to supply the country with imported necessities at satisfactory prices. Unfortunately, this led only to unauthorized speculation and a flourishing street or "bootleg" market.

SUMMARY OF REGULATIONS

Among the new regulations the following are of particular moment to those interested in Bolivian finance and commerce: (1) Bolivian exporters are required to continue to surrender their obligatory deliveries of foreign drafts to the Banco Central at the rate of Bs.82 to the pound sterling; (2) the export of capital is still prohibited; (3) purely government necessities included in the 1938 budget, payable in foreign currency, will continue to be supplied at the rate of Bs.100 to the pound sterling; (4) planned expenditure in foreign currency is to undergo immediate revision to a level downward of not less than 20 per cent; (5) the sale of foreign drafts will be made by the Banco Central, Banco Mercantil, and Banco Nacional only, and subject to the stringent control of a special commission—this provision is of great importance as in view of the serious financial condition within the republic, it is most likely that only for those articles from abroad which are of the greatest necessity will the foreign exchange be granted; (6) commensurate compensation, taking into consideration possible exchange fluctuations, is provided for all employees (government or otherwise), who necessarily will suffer from increased living costs which must follow the suppression of sterling drafts at Bs.100 and Bs.120 to the pound sterling for the importation of prime necessities; (7) utility and transportation companies, which are obliged to obtain foreign currencies at the standard rate of exchange, are empowered to increase their tariffs after approval by the Government; (8) no customs tariff increases are to be made at the present time, but increases are to be provided for shortly for articles which are so-called luxuries; (9) foreign exchange is not to be granted for new industries unless immediate benefit to the State is assured; (10) an interesting feature of the new legislation is a provision respecting the development of certain basic raw products such as cotton, wool, wheat, and sugar, which can be produced locally. Efforts are to be made to induce manufacturers who have been using the imported products to use instead those produced locally, with the object of increasing domestic production and eventually making the republic independent of foreign supplies.

ECONOMIC CONDITIONS IN MEXICO, APRIL TO JUNE

R. T. YOUNG, CANADIAN TRADE COMMISSIONER

Mexico City, July 11, 1938.—Since the expropriation in March of the properties of the foreign oil companies, Mexico has experienced a financial and commercial depression which does not appear to show any signs of lifting. Since April sales have decreased as much as 50 per cent, while transactions in practically all lines are made on a cash basis only. Some firms have recalled their local travelling salesmen, while local industries continue to curtail production, as it is impossible for them to dispose of their present stocks. In the mining industry prices are uncertain and, except for silver, tend to decline.

Foreign trade, although no official statistics are available, is known to have declined severely, with a resultant adverse effect on the treasury and public works projects. Credit continues restricted, while local banks are hard pressed and deposits are relatively small.

The exchange value of the Mexican peso is still dependent upon supply and demand, which, with conditions in the oil industry still unsettled, makes for general uncertainty in business.

OIL INDUSTRY

The conflict between the Government and the oil interests has affected business in all its activities, reduced government and private revenues, and curtailed industrial demands.

To date the oil administration has been supplying the sums required to cover the interest and amortization of the highway bonds, which are guaranteed by the gasoline tax. No difficulties have been encountered in paying the wages of the workers, although they are still being paid in accordance with the old scale of wages and have not received the increases previously demanded of the oil companies. Local fuel requirements are being taken care of, and there would appear to be no serious difficulties in connection with the administration of the industry.

BUSINESS CONDITIONS

In the more important cities the large shops report heavy reductions in sales as compared with previous months and with the corresponding months of 1937, due to the discontinuance of sales on instalment because of the monetary uncertainty. To continue to sell on this plan would result in greater losses should the peso drop still lower, whereas to arbitrarily raise prices would cause sales to decrease still further. Wholesalers are in the same unfavourable position as retailers, so that business conditions have been stagnant.

CROP CONDITIONS

Throughout the country crops have been reported poor and far short of requirements. The corn crop was 50 per cent of last year's, and the bean and wheat crops have been poor, with a consequent adverse effect upon sales of other commodities.

INDUSTRIAL CONDITIONS

In the textile industry labour has opposed the reduction in working hours, but with the decline in orders the mills have been faced with an accumulation of stocks and increased prices for raw materials proportionate to the fall in the value of the peso, which places them in a most unfavourable position. Sales by shoe factories have declined and collections are difficult, workers being unwilling to make concessions required by prevailing conditions. On the other hand, consumption of rubber goods has held up, due to peculiar conditions in the automotive industry. Only cash sales of motor cars are being made; old cars are not being traded in for new ones, but old tires are being replaced by new ones and this has maintained the demand. In the chemical industry conditions continue stagnant; sales are good, but as much material must be imported at higher rates of duty and the peso value is depreciated, prices have had to be increased. Private construction in the Federal District shows no reduction but has been curtailed in outside areas.

CREDIT

Bank credit continues to be severely restricted, due to a decline in bank deposits. Loans are obtainable only with great difficulty, while the demand for money is heavy as compared with the volume of funds available to meet it.

UNITED KINGDOM MERCHANDISE MARKS ACT

TEXTILE SMALLWARES

Referring to the notice published in *Commercial Intelligence Journal* No. 1785 (April 16, 1938), the Chief Canadian Trade Commissioner in London writes that an Order in Council has now been adopted under which it will not be lawful to sell or expose for sale in the United Kingdom any imported goods of the following description unless they bear an indication of origin in the manner described. The indication must also be printed or stamped on any container or wrapper in which the goods are sold or exposed for sale:—

Class or Description of Goods

Textile smallwares of the following descriptions made wholly or partly of cotton, wool (including alpaca, mohair, cashmere, llama, vicuna, and camels' hair), silk, artificial silk, hemp, flax or jute, whether or not coated, impregnated, or in any other way treated or operated upon, but not including goods made wholly or mainly of reed, rush, straw, or coir:—

- A. (i) Armbands, braces, garters, and suspenders.
- (ii) Badges and initials.
- (iii) Belts and girdles (sports, trouser, and dress) other than elastic.
- (iv) Hat bands.
- (v) Trimmings (other than those specified in paragraph C of this schedule) and tassels.
- B. Boot, shoe, corset, and similar laces, whether tagged or untagged.
- C. Goods of the undermentioned description on bobbins, reels, cards, or similar centres or in rolls, hanks, skeins, bundles, or pairs:—
 - (i) Bindings.
 - (ii) Braids, cords, and webbings (other than elastic).
 - (iii) Fringes.
 - (iv) Galloons.
 - (v) Gimps.
 - (vi) Petershams.
 - (vii) Tapes.
 - (viii) Trimmings.

Application of Indication of Origin

Printed or stamped on each article or on a label securely attached or affixed thereto or on the band, if any, by which the article is surrounded: Provided that where the goods are in pairs, it shall be sufficient if an indication of origin is printed or stamped on a label securely attached or affixed to each pair or on the band, if any, by which the pair is surrounded.

Printed or stamped on the band by which each pair is surrounded or if there is no band, on a label securely attached to each pair: Provided that where the laces are sold or exposed for sale in bundles but are not joined together in pairs, it shall be sufficient if an indication of origin is printed or stamped on any container or wrapper in which the goods are sold or exposed for sale.

Printed, stamped, or impressed on the bobbin, reel, card, or similar centre, or where there is no such centre, on a label securely attached to the roll, hank, skein, bundle, or pair or on the band, if any, by which it is surrounded.

The order will not apply to any article which at the time of importation forms an integral part of or is accessory to another article with which it is imported and which itself bears an indication of origin.

The order will come into force on December 23, 1938.

Although marking at the time of importation is not prescribed, importers usually expect the Canadian or other overseas manufacturer to carry out the necessary marking before the goods are shipped.

TARIFF CHANGES AND CUSTOMS REGULATIONS**Southern Rhodesia****SUSPENSION OF DUTY ON EMPIRE CHEESE**

Mr. J. C. Britton, Assistant Trade Commissioner at Johannesburg, reports that, effective June 24, 1938, the customs duty on cheese made from milk or cream, from which no fat has been abstracted and to which no animal or vegetable fat has been added, when imported into Southern Rhodesia from Empire countries, has been suspended. The rate of 30 per cent or 4d. per pound, whichever duty shall be the greater, applying to foreign countries is still in force.

Trinidad**TARIFF ON POTATOES**

Mr. G. A. Newman, Assistant Trade Commissioner at Port of Spain, cables that for the period July 15 to August 25, 1938, the Trinidad general tariff on potatoes is reduced from 90 cents per 100 pounds to 48 cents per 100 pounds plus surcharge of 10 per cent. The preferential rate, applicable to Canada, remains at 15 cents per 100 pounds.

Belgium**LICENCE TAX ON WHEAT REIMPOSED**

Mr. Maurice Bélanger, Assistant Trade Commissioner in Brussels, cables that a Belgian decree, effective July 21, re-establishes the former import licence tax on wheat of 10 francs per 100 kilograms (approximately 15 cents per 100 pounds). Wheat is free of ordinary customs duty on import into Belgium.

This tax was formerly in effect from August, 1933, to March, 1935, and from August, 1935, to February, 1937. (See *Commercial Intelligence Journal* No. 1727: March 6, 1937, page 360.)

United States**REVENUE TAX ON LUMBER**

The United States Revenue Act, 1938, removes, effective July 1, 1938, the excise import tax of \$3 per M feet board measure, reduced to \$1.50 per M feet, under the Canada-United States Trade Agreement, on Northern white pine (*pinus strobus*), Norway pine (*pinus resinosa*), and Western white pine.

The Revenue Act of 1938 also directs that in determining board measure no deduction shall be made on account of planing, tonguing, and grooving. This amendment will become effective August 29, unless it conflicts with the provisions of a trade agreement.

Ecuador**NEW TARIFF**

With reference to the notice in *Commercial Intelligence Journal* No. 1794 (June 18, 1938), page 1009, Mr. S. G. MacDonald, Acting Canadian Trade Commissioner at Lima, Peru, writes under date June 25 that the rates of the Ecuadorean tariff were made effective on May 20, 1938, against imports from countries with which Ecuador has trade agreements (including the United States and Germany). The preference which these countries enjoyed by reason of the application of the former duties instead of the new higher duties has, consequently, lapsed. However, the preference of 30 per cent on many items accorded to countries having agreements with Ecuador is still in effect and now applies to the rates of the new tariff. The surcharge of 50 per cent on goods from countries having trade balances unfavourable to Ecuador also remains in force.

FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING JULY 25, 1938

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, July 25, 1938, and for the week ending Monday, July 18, 1938, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending July 18	Nominal Quotations in Montreal Week ending July 25	Official Bank Rate
Austria	Schilling	.1407	.....	.....	—
Belgium	Belga	.1001	\$.1701	\$.1694	3
Bulgaria	Lev	.0072	.0124	.0124	6
Czechoslovakia	Koruna	.0296	.0347	.0346	3
Denmark	Krone	.2680	.2210	.2202	4
Finland	Markka	.0252	.0218	.0218	4
France	Franc	.0392	.0277	.0277	2½
Germany	Reichsmark	.2382	.4040	.4028	4
Great Britain	Pound	4.8666	4.9519	4.9338	2
Greece	Drachma	.0130	.0091	.0090	6
Holland	Guilder	.4020	.5532	.5510	2
Hungary	Pengo	.1749	.2987	.2977	4
		Unofficial	.1977	.1972	—
Italy	Lira	.0526	.0529	.0527	4½
Yugoslavia	Dinar	.0176	.0234	.0233	5
Norway	Krone	.2680	.2488	.2479	1½
Poland	Zloty	.1122	.1895	.1888	4½
Portugal	Escudo	.0442	.0450	.0445	4-4½
Roumania	Leu	.0060	.0073	.0073	3½
Spain	Peseta	.1930	.0586	.0561	5
Sweden	Krona	.2680	.2552	.2543	2½
Switzerland	Franc	.1930	.2302	.2296	1½
United States	Dollar	1.0000	1.0056	1.0025	1
Mexico	Peso	.4985	.2023	.2025	3
Cuba	Peso	1.0000	1.0049	1.0018	—
Guadeloupe	Franc	.0392	.0277	.0277	—
Jamaica	Pound	4.8666	4.9620	4.9438	—
Martinique	Franc	.0392	.0277	.0277	—
Other British West Indies	Dollar	1.0138	1.0316	1.0279	—
Argentina	Peso (Paper)	.4245	.3302	.3289	3½
		Unofficial	.2610	.2602	—
Brazil	Milreis (Paper)	.1193	.0588	.0586	—
British Guiana	Dollar	1.0138	1.0316	1.0279	—
Chile	Peso	.1217	.0520	.0518	3-4½
		Unofficial	.0402	.0401	—
Colombia	Peso	.9733	.5666	.5640	4
Peru	Sol	.2800	.2313	.2256	6
Venezuela	Bolivar	.1930	.3117	.3158	—
Uruguay	Peso	1.0342	.6517	.6491	—
South Africa	Pound	4.8666	4.9458	4.9277	3½
Egypt	Pound (100 Piastres)	4.9431	5.0784	5.0626	—
China (Shanghai)	Dollar	.....	.1835	.1841	—
Hongkong	Dollar	.....	.3089	.3083	—
India	Rupee	.3650	.3694	.3685	3
Japan	Yen	.4985	.2887	.2875	3.29
Java	Guilder	.4020	.5533	.5509	—
Siam	Baht (Tical)	.4424	.4535	.4521	—
Straits Settlements	Dollar	.5678	.5775	.5747	—
Australia	Pound	4.8666	3.9616	3.9470	3
New Zealand	Pound	4.8666	3.9934	3.9781	2

The Dominion Bureau of Statistics has supplied the following note:—

Premiums on New York funds at Montreal fell from 1½ of 1 per cent on July 19 to ½ of 1 per cent on the 25th. The British pound moved downward on the 20th and 21st, but as pressure was relieved part of this loss was regained in the next two days. The decline was then resumed, and by the 25th the pound sterling was quoted at \$4.9338 as compared with \$4.9392 on the 19th. Movements of Scandinavian currencies were largely in sympathy with those of sterling. Quotations for the French franc at 2.77 cents were unchanged throughout the week.

TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

Secretary, Board of Trade—

Saint John, N.B.
Halifax, N.S.
Quebec, P.Q.
Montreal, P.Q.
Toronto, Ont.
Chatham, Ont.

Brantford, Ont.
Kitchener, Ont.
Stratford, Ont.
Woodstock, Ont.
St. Mary's, Ont.
Portage la Prairie, Man.

St. Boniface, Man.
Winnipeg, Man.
Vancouver, B.C.
New Westminster, B.C.

Secretary, Chamber of Commerce—

Sherbrooke, P.Q.
Kingston, Ont.
Oshawa, Ont.
Belleville, Ont.

Peterborough, Ont.
London, Ont.
St. Catharines, Ont.
Hamilton, Ont.

Victoria, B.C.
Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

Secretary, Canadian Manufacturers Association—

Toronto, Ont.
Montreal, P.Q.

Winnipeg, Man.
Edmonton, Alta.

Vancouver, B.C.
Victoria, B.C.

Director, Trade Extension, Victoria, B.C.

Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.

Commodity	No.	Location of Inquirer	Purchase or Agency
Miscellaneous—			
Shoe Findings.....	426	Melbourne, Australia.....	Purchase.
Goat, Badger and Seal Skins....	427	Glasgow, Scotland.....	Purchase.
Centrifugal Pumps for Construc- tion Work (Self-priming).....	428	Auckland, New Zealand...	Purchase and Agency.
High-speed Engineers' Twist			
Drills.....	429	Melbourne, Australia.....	Agency.
Artificial Abrasives.....	430	Abbotsford, Australia.....	Purchase.
Carbon for Arc Lamps for Process			
Engraving.....	431	Melbourne, Australia.....	Purchase.
Motor Speed Boats.....	432	Melbourne, Australia.....	Agency.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Montreal

To Liverpool.—Duchess of Richmond, Aug. 5 and Sept. 10; Duchess of Bedford, Aug. 10 and Sept. 4; Montrose, Aug. 16; Duchess of York, Aug. 21; Duchess of Atholl, Aug. 26—all Canadian Pacific; Andania, Aug. 12; Antonia, Aug. 26—both Cunard-White Star Line.

To London.—Beaverdale, Aug. 5; Beaverford, Aug. 12; Beaverbrae, Aug. 19; Beaverhill, Aug. 26; Beaverburn, Sept. 2—all Canadian Pacific; Ausonia, Aug. 5 and Sept. 2; Alaunia, Aug. 12; Aurania, Aug. 19; Ascania, Aug. 26—all Cunard-White Star Line; Carmelfjell, Aug. 10; Tindefjell, Aug. 24; Ravnefjell, Sept. 7—all Fjell Line.

To Manchester.—Manchester Regiment, Aug. 4; Manchester Division, Aug. 11; Manchester Port, Aug. 18; Manchester Commerce, Aug. 25; Manchester City, Sept. 1; Manchester Citizen, Sept. 8—all Manchester Line.

To Southampton.—Duchess of Richmond, Aug. 24; Montrose, Sept. 8—both Canadian Pacific.

To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.—Bristol City, Aug. 3; New York City, Aug. 22; Boston City, Sept. 9—all Bristol City and Dominion Lines; Dakotian, Aug. 12; Norwegian, Aug. 31; Dorelian, Sept. 17—all Cunard-Donaldson and Dominion Lines.

To Glasgow.—Letitia, Aug. 5; Sulairia, Aug. 12; Athenia, Aug. 19; Delilian, Aug. 26—all Donaldson-Atlantic Line.

To Newcastle and Leith.—Cairnesk, Aug. 10; Cairnmona (also calls at Dundee), Aug. 17; Cairnross, Aug. 24; Cairnvalona, Aug. 31; Cairnglen, Sept. 7—all Cairn-Thomson Line.

To Aberdeen and Hull.—Consuelo, Aug. 1 and Sept. 2; Bassano, Aug. 19—both Ellerman's Wilson Line.

To Dublin and Belfast.—Fanad Head, Aug. 11; Kenbane Head, Aug. 13; Dunaff Head, Aug. 21—all Head Line (cargo accepted for Cork and Londonderry).

To Hamburg and Bremen.—Beaverdale, Aug. 5; Beaverburn, Sept. 2—both Canadian Pacific (do not call at Bremen); Koenigsberg, Hamburg-American Line, Aug. 26.

To Copenhagen, Gothenburg, Stockholm and Helsingfors.—Ragnhildsholm, Aug. 5; Lagaholm, Aug. 26—both Swedish-America-Mexico Line.

To Norwegian Ports.—Glitrefjell, Aug. 6; Svanefjell, Aug. 27—both Fjell Line.

To Antwerp and Havre.—Beaverford, Aug. 12; Beaverbrae, Aug. 19; Beaverhill, Aug. 26; Montrose, Sept. 8; Beaverdale, Sept. 9—all Canadian Pacific (do not call at Havre); Brant County, Aug. 7; August, Aug. 28; Hada County, Sept. 18—all County Line; Carmelfjell, Aug. 10; Tindefjell, Aug. 24; Ravnefjell, Sept. 7—all Fjell Line (do not call at Havre).

To Rotterdam.—Lista (also calls at Dunkirk), Aug. 7; Grey County, Aug. 21; Flint 2, Sept. 2—all County Line; Carmelfjell, Aug. 10; Tindefjell, Aug. 24; Ravnefjell, Sept. 7—all Fjell Line.

To Marseilles, Genoa, Leghorn, Naples, Messina, Palermo, Gibraltar and Lisbon.—Capo Noli, Aug. 8; Capo Lena, Aug. 27—both Capo Line (will also call at Cadiz and/or Seville and/or Casablanca if sufficient cargo offers).

To St. John's, Nfld.—Bencas, Aug. 11; Anna, Sept. 1—both Shaw SS. Co. Ltd. (also call at Harbour Grace, Bay Roberts, Carbonear and Port Union; will touch at Newfoundland south coast ports as cargo offerings warrant); Belle Isle, Newfoundland-Canada SS. Ltd., Aug. 12 and 26, Sept. 9 (also calls at St. Pierre-Miquelon).

To Cornerbrook, Nfld.—New Northland, Aug. 1, 15 and 29; Gaspesia, Aug. 10 and 24—both Clarke SS. Co.

To Puerto Rico, Barbados, Trinidad and Demerara.—Chomedy, Aug. 4; Colborne, Aug. 18; Cornwallis, Sept. 1—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To Hamilton, Nassau, Kingston and Belize.—Lady Rodney, Aug. 3; Cavelier (calls at Kingston only), Aug. 12; Lady Somers, Aug. 17; Cathcart, Aug. 26—all Canadian National.

To Bermuda, St. Kitts, Antigua, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Maud, Aug. 12; Heroy, Aug. 26; Ary Lensen, Sept. 9—all Ocean Dominion SS. Corp. (call at Guadeloupe and Martinique if sufficient cargo offered).

To Santos and Buenos Aires.—Tercero, International Freightling Corp., about Sept. 3 (will also call at Rio de Janeiro if sufficient inducement warrants).

To Brisbane, Sydney, Melbourne and Adelaide.—Kaikoura, Montreal Australia New Zealand Line, Sept. 3 (will also call at Geelong).

To Auckland, Wellington, Lyttelton and Dunedin.—City of Glasgow, Montreal Australia New Zealand Line, Aug. 30.

To Cape Town, Port Elizabeth, East London and Durban.—Mattawin, Elder Dempster Lines Ltd., Aug. 27 (also calls at Freetown, Lourenco Marques and Beira).

To Straits Settlements and Dutch East Indies Ports.—Tabinta, Blue Funnel Line, Aug. 6.

To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Madras, Rangoon, Calcutta and Singapore.—City of Rangoon, Aug. 12; City of Perth, Aug. 26; a steamer, Sept. 11—all Canada-India Service.

From Quebec

To Southampton.—Empress of Australia, Aug. 4 and 19; Empress of Britain, Aug. 13 and 27—both Canadian Pacific.

From Halifax

To Liverpool.—Newfoundland, Aug. 16; Nova Scotia, Sept. 4—both Furness Line.

To St. John's, Nfld.—Fort Townshend, Aug. 1 and 15; Fort Amherst, Aug. 8 and 22—both Furness-Red Cross Line (also call at St. Pierre); Portia, Newfoundland Rys. and SS. Co., Aug. 3, 17 and 31; Magnhild (also calls at St. Pierre and Newfoundland outports), Newfoundland-Canada SS. Ltd., Aug. 8 and 22; Newfoundland, Aug. 16; Nova Scotia, Sept. 4—both Furness Line.

To Kingston, Jamaica.—Cathcart, Aug. 1 and 29; Cavelier, Aug. 15—both Canadian National.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Hawkins, Aug. 11; Lady Drake, Aug. 25; Lady Nelson, Sept. 8—all Canadian National; Lundby, Aug. 3; Maud, Aug. 17; Heroy, Aug. 31; Ary Lensen, Sept. 14—all Ocean Dominion SS. Corp. (call at Guadeloupe and Martinique if sufficient cargo offered, but not at Nevis or Montserrat).

To Puerto Rico, Barbados, Trinidad and Demerara.—Chomedy, Aug. 8; Colborne, Aug. 22; Cornwallis, Sept. 5—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To Santiago (Cuba) and Kingston (Jamaica).—Lutz, Aug. 10 and Sept. 7; Kirsten B., Aug. 24—both Pickford & Black Ltd. (also call at Jamaican outports as cargo offers).

To Far East Ports.—Silverash, Aug. 7; Silverteak, Sept. 3—both Silver Line; Cingalese Prince, Furness-Prince Line, Aug. 21.

From Saint John

To Liverpool and Manchester.—Manchester Producer, Aug. 16; Manchester Brigade, Sept. 6—both Manchester Line.

To London, Newcastle, Aberdeen and Hull.—Kyno, Aug. 12; Kelso, Sept. 9—both Ellerman's Wilson Line.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Hawkins, Aug. 3 and Sept. 14; Lady Drake, Aug. 17; Lady Nelson, Aug. 31—all Canadian National.

To Kingston and Jamaican Outports.—Harboe Jensen, Aug. 5 and 19; Crawford Ellis, Aug. 12 and 26—both United Fruit Co. (cargo accepted for Caribbean, Central and South American ports with transshipment at Kingston).

From Vancouver

To Yokohama, Kobe and Osaka.—Hikawa Maru, Aug. 13; Hiye Maru, Aug. 27; Heian Maru, Sept. 10—all Nippon Yusen Kaisha.

To Yokohama, Kobe, Shanghai, Hongkong and Manila.—Empress of Russia (calls Nagasaki), Aug. 6; Empress of Japan (calls Honolulu), Aug. 20; Empress of Asia (calls Nagasaki), Sept. 3; Empress of Canada (calls Honolulu), Sept. 17—all Canadian Pacific.

To Honolulu, Suva, Auckland and Sydney.—Aorangi, Aug. 2; Niagara, Aug. 30—both Canadian-Australasian Line.

To Manila, Iloilo, Cebu, Soerabaya, Samarang, Batavia, Colombo and Bombay.—Hoegh Silverstar (calls at Saigon, Singapore and Persian Gulf ports, also at Port Swettenham and Belawan Deli if cargo offers), Aug. 1; Talisse (calls at Belawan Deli, also at Singapore and Port Swettenham if cargo offers), Aug. 22; Djambi (calls at Saigon, Singapore and Persian Gulf ports, also at Port Swettenham and Belawan Deli if cargo offers), Sept. 1—all Silver-Java Pacific Line.

To Papeete, Auckland, Wellington, Lyttelton, Dunedin, Melbourne and Sydney.—Clydebank, Aug. 5; a steamer, September—both Canadian-Australasian Line.

To Brisbane, Sydney, Melbourne and Adelaide.—Parrakoola, Aug. 15; Yngaren, Sept. 15—both Empire Shipping Co. Ltd.

To London, Plymouth, Hull and Swedish Ports.—Canada (calls at Hawaii), Aug. 14; San Francisco, Sept. 3; Axel Johnson, Sept. 23—all Johnson Line.

To London, Liverpool and Rotterdam.—Nebraska, Aug. 6; Delftdyk (calls Glasgow), Aug. 20; Drechtdyk, Sept. 3; Lochavon (calls Glasgow), Sept. 17—all North Pacific Coast Line.

To Antwerp, Hamburg and Bremen.—Oakland, Aug. 11; Seattle, Aug. 28; Tacoma, Sept. 12—all Hamburg-American Line; Este, North German Lloyd Line, Sept. 2.

To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.—San Antonio, Aug. 16; San Pedro, Sept. 3; San Diego, Sept. 24—all Empire Shipping Co. Ltd.

To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.—Cellina, Aug. 12; Leme, Sept. 10—both Empire Shipping Co. Ltd.

To Port of Spain (Trinidad) and Bridgetown (Barbados).—A steamer, Canadian Transport Co., August.

To Cape Town, Port Elizabeth, East London, Durban and Lourenco Marques.—Silverbelle, Aug. 5; Manoeran, Sept. 6—both Silver-Java Pacific Line (call at Beira and Calcutta, will also call at Colombo and Madras if sufficient cargo offers); Hoperown, North Pacific Shipping Co. Ltd., July 31 (calls at Beira but not at East London).

To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.—Hardanger, Aug. 25; Hoyanger, Sept. 26—both Empire Shipping Co. Ltd. (will call at West Coast ports if sufficient cargo offered).

Note.—Firms who desire information concerning ocean and mail services may have their names placed on the mailing list of the Post Office Weekly Bulletin by applying to the Post Office Department.

CONDENSED LIST OF PUBLICATIONS ISSUED BY THE DEPARTMENT OF TRADE AND COMMERCE

Applications for publications in this list, together with remittances therefor, should be addressed to the King's Printer, Government Printing Bureau, Ottawa, marked "Attention Chief Clerk of Distribution."

GENERAL

Annual Report of the Department of Trade and Commerce.—A review of the salient features of Canada's export and import trade and a summary of the activities of each of its Branches, including the Commercial Intelligence Service; Foreign Tariffs Division; Dominion Bureau of Statistics; Board of Grain Commissioners; Weights and Measures Inspection Service; Electricity and Gas Inspection Services; Publicity; Government Motion Picture Bureau; Exhibition Commission; Steamship Subsidies; Precious Metals Marking Inspection; also a statement of Revenue and Expenditure. (Price 25 cents.)

Annual Report of the Board of Grain Commissioners.—The administration of the Canada Grain Act during the calendar year, including reports of such officers as the Registrar, Chief Inspector, Chief Weighmaster and General Manager of the Canadian Government Elevators, prepared in accordance with Section 23 of the Act. (Price 25 cents.)

Annual Report of Electricity and Gas Inspection Services.—A summary of the work of these services with statistics of revenue and expenditure, as also statement showing meters, electrical energy generated for export, and lists of companies registered under the Electricity Inspection Act. (Price 25 cents.)

Annual Report of Dominion Grain Research Laboratory.—Details of investigations carried out in the Laboratory relating to qualities of Canadian wheat; also investigations on inquiries to further the sale of Canadian wheat and flour; milling and baking characteristics of the last crop; various forms of co-operation with Universities, Experimental Farms and other Government institutions, producers, milling and grain organizations in Canada and abroad; investigations relating to grading system, etc. (Price 10 cents.)

Catalogue of Motion Pictures.—List of all films available in the Government Motion Picture Bureau, with title and brief description. It is in loose leaf form, in order that revision may be made from year to year. (Price 25 cents.)

List of Grain Elevators.—Details of all Grain Elevators in Western and Eastern Divisions, also licensed grain commission merchants, track buyers of grain and grain dealers, and summary of grain loading platforms in Western Division. (Price 50 cents.)

PUBLICATIONS OF THE COMMERCIAL INTELLIGENCE SERVICE

Commercial Intelligence Journal.—Published weekly in English and French, containing reports of Trade Commissioners and other commercial information. The annual subscription in Canada is \$1 and outside Canada, \$3.50.

Publications of the Commercial Intelligence Service are compiled with a view to furnishing Canadian exporters with information respecting the possibilities for the sale of Canadian goods abroad, the nature of the competition to be encountered, Customs requirements, etc., and are not intended for general distribution. The publications available include leaflets giving Invoice Requirements and a series on Points for Exporters, both covering countries included in the territories assigned to Trade Commissioners.

From time to time special reports are issued separately, which subscribers to the Commercial Intelligence Journal are entitled to receive free of charge. In all other cases their distribution is controlled by the King's Printer, who fixes a price therefor.

PUBLICATIONS OF THE DOMINION BUREAU OF STATISTICS

The following is an abbreviated list of publications of the Dominion Bureau of Statistics:—

Census of Canada.

Miscellaneous Statistics respecting the following: Business; Education; Employment; Finance (Provincial and Municipal); Justice; Transportation, including railways and tramways, express, telegraphs, telephones, water, etc.; Production, including agriculture, furs, fisheries, forestry, mining, construction and manufactures; Vital: births, deaths, marriages, divorces.

Canada, 1937. (Price 25 cents.)

Canada Year Book. (Price \$1.50.)

Report of the Dominion Statistician, Annual. (Price 10 cents.)

Trade (External), (Imports and Exports)—Annual Reports: Fiscal Year (price \$3), Calendar Year (price 50 cents); Quarterly Report (price \$2 per annum); Monthly Report (price \$1 per annum).

Trade (Internal), Prices, cost of living, capital movements, etc. (Price 50 cents.)

Monthly Review of Business Statistics. (Price \$1 per annum.)

COMMERCIAL INTELLIGENCE SERVICE

L. D. WILGRESS, *Director*

CANADIAN GOVERNMENT TRADE COMMISSIONERS

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J. A. STRONG, B. Mitre 430, Buenos Aires (1). (Territory includes Uruguay.) *Cable address, Canadian.*

Australia

Sydney: L. M. COSGRAVE. Address for letters—P.O. Box No. 3952V. Office—City Mutual Life Building, Hunter and Bligh streets. (Territory includes Federal District of Canberra, New South Wales, Queensland, Northern Territory and Dependencies.) *Cable address, Canadian.*

Melbourne: FREDERICK PALMER. Address for letters—Box 196C, G.P.O. Office—Safe Deposit Office Building. (Territory includes States of Victoria, South Australia, Western Australia, and Tasmania.) *Cable address, Canadian.*

Belgium

YVES LAMONTAGNE, Shell Building, 60 Ravenstein Street, Brussels. *Cable address, Canadian.*

Brazil

L. S. GLASS. Address for letters—Caixa Postal 2164, Rio de Janeiro. Office—Ed. Da. "A. Noite," Sala 802, Praca Maua. *Cable address, Canadian.*

British India

PAUL SYKES. Address for letters—P.O. Box 2003, Calcutta. Office—23 Esplanade Mansions, Government Place East, Calcutta. (Territory includes Burma and Ceylon.) *Cable address, Canadian.*

British Malaya

B. C. BUTLER, Union Building, Singapore, Straits Settlements. (Territory includes the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India.) *Cable address, Canadian.*

British West Indies

Trinidad: M. B. PALMER. Address for letters—P.O. Box 125, Port of Spain. Office—Barclay's Bank Building. (Territory includes Barbados, Windward and Leeward Islands, and British Guiana.) *Cable address, Canadian.*

Jamaica: F. W. FRASER, P.O. Box 225, Kingston. Office—Canadian Bank of Commerce Chambers. (Territory includes Haiti, the Bahamas, and British Honduras.) *Cable address, Canadian.*

China

H. A. SCOTT. Address for letters—P.O. Box 264, Shanghai. Office—Ewo Building, 27 The Bund, Shanghai. (Territory includes Central China and North China.) *Cable address, Canadian.*

Cuba

C. S. BISSETT. Address for letters—Apartado 1945, Havana. Office—Royal Bank of Canada Building, Calle Aguiar 75, Havana. (Territory includes Dominican Republic and Puerto Rico.) *Cable address, Canadian.*

Egypt

HENRI TURCOT. Address for letters—P.O. Box 1770, Cairo. Office—22 Shari Kasr el Nil, Cairo. (Territory includes the Sudan, Palestine, Cyprus, Iraq, Syria, Iran, Greece, Turkey, Bulgaria, and Roumania.) *Cable address, Canadian.*

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HERCULE BARRÉ, Commercial Attaché, 3 rue Scribe, Paris (9). (Territory includes French Colonies in North Africa.) *Cable address, Cancomac.*

Germany

J. C. MACGILLIVRAY, Bendlerstrasse 38, Berlin W.35. (Territory includes Czechoslovakia, and Poland.) *Cable address, Cantracom.*

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V. E. DUCLOS. Address for letters—P.O. Box 80, Hongkong. Office—Gloucester Building, Hongkong. (Territory includes South China, the Philippines, and Indo-China.) *Cable address, Canadian.*

Ireland

JAMES CORMACK, 66 Upper O'Connell Street, Dublin, Ireland (*cable address, Canadian*); and 36 Victoria Square, Belfast, Northern Ireland.

CANADIAN GOVERNMENT TRADE COMMISSIONERS—*Con.*

Italy

A. B. MUDDIMAN. Via Manzoni Nr. 5, Milan (102). (Territory includes Spain, Portugal, Gibraltar, Malta, Albania, and Yugoslavia.) *Cable address, Canadian.*

Japan

Tokyo: C. M. CROFT, Commercial Secretary. Address for letters—P.O. Box 18, Akasaka Post Office, Tokyo. Office—Canadian Legation, 16 Omotecho, 3-chome, Akasakaku, Tokyo. *Cable address, Canadian.*

Kobe: P. V. McLANE. Address for letters—P.O. Box 230, Kobe. Office—309 Crescent Building, 72 Kyomachi, Kobe. *Cable address, Canadian.*

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W. J. RIDDIFORD. Address for letters—P.O. Box 222, Panama City. Office—Royal Bank of Canada Building, Santa Ana Plaza, Panama City. (Territory includes the Canal Zone, Venezuela, Colombia, Nicaragua, and Costa Rica.) *Cable address, Canadian.*

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South Africa

Cape Town: G. R. HEASMAN. Address for letters—P.O. Box 683. Office—Cleghorn & Harris Building, Adderley Street. (Territory includes Cape Province and Southwest Africa, Natal, Tanganyika, Kenya, Uganda, Mauritius, and Madagascar.) *Cable address, Cantracom.*

Johannesburg: J. L. MUTTER. Address for letters—P.O. Box 715. Office—Prudential Assurance Bldg., 92 Fox Street. (Territory includes Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland.) *Cable address, Cantracom.*

United Kingdom

London: FREDERIC HUDD, Chief Trade Commissioner in the United Kingdom, Canada House, Trafalgar Square, S.W.1. *Cable address, Sleighing, London.*

London: J. H. ENGLISH, Trade Commissioner, Canada House, Trafalgar Square, S.W.1. (Territory includes Home Counties, Southeastern Counties, and East Anglia.) *Cable address, Sleighing, London.*

London: W. B. GORNALL, Fruit Trade Commissioner, Aldine House, Bedford Street, Strand, W.C.2. *Cable address, Canfrucum.* (Territory—for fresh fruit only—includes United Kingdom, Norway, Denmark, Sweden, France, Holland, Belgium, and Germany.)

London: W. A. WILSON, Animal Products Trade Commissioner, Canada House, Trafalgar Square, S.W.1. *Cable address, Agrilson.*

Liverpool: H. R. POUSSETTE, Martins Bank Building, Water Street. (Territory includes North of England, Lincolnshire, North Midlands, and North Wales.) *Cable address, Canadian.*

Bristol: E. L. MCCOLL, Northcliffe House, Colston Avenue. (Territory includes West of England, South Wales, and South Midlands.) *Cable address, Canadian.*

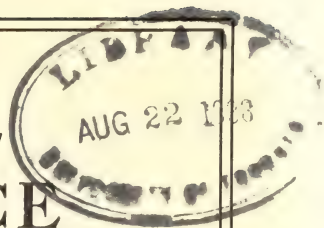
Glasgow: G. B. JOHNSON, 200 St. Vincent Street. (Territory covers Scotland.) *Cable address, Cantracom.*

United States

D. S. COLE. British Empire Building, Rockefeller Center, New York City. (Territory includes Bermuda.) *Cable address, Cantracom.*

Note.—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.

COMMERCIAL INTELLIGENCE JOURNAL



Vol. LIX

Ottawa, August 6, 1938

No. 1801



Unloading Motor Car Tires from Canada at Auckland, New Zealand

ISSUED BY AUTHORITY OF
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE
JAMES G. PARMELEE, DEPUTY MINISTER

CONTENTS

	Page
Points for Exporters to New Zealand	193
Summary of the Trade of Canada: June	200
Hay Crop and Market Conditions in the United Kingdom.....	201
Royal Agricultural Society's Show at Cardiff.....	205
Trade Commissioners on Tour	207
Australian Trade with Canada, 1936-37:	
IV. Rubber and Manufactures; Wood and Wicker, Raw and Manufactured; Earthenware, Cement, etc.; Paper and Stationery	207
Market for Apples in Hongkong	212
Exchange Situation in Mexico: Effects on Credit.....	214
Mexican National Bank of Foreign Commerce.....	215
Brazilian Market Conditions for Codfish.....	216
Market Conditions for Vegetable Oils in Chile.....	217
Belgian Licence Taxes	218
Foreign Exchange Quotations	219
Trade Inquiries for Canadian Products	220
Proposed Sailings from Canadian Ports.....	220
Commercial Intelligence Service	223

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Vol. LIX

Ottawa, August 6, 1938

No. 1801

POINTS FOR EXPORTERS TO NEW ZEALAND

W. F. BULL, CANADIAN TRADE COMMISSIONER

Auckland, June 30, 1938.—The Dominion of New Zealand consists of two large and several small islands in the South Pacific Ocean between 34° and 48° S. latitude and 166° and 179° E. longitude. New Zealand lies 6,000 miles southwest of Vancouver and 1,200 miles southeast of Sydney, Australia, with South America about 6,000 miles distant to the east and the Antarctic continent 1,600 miles to the south.

AREA, POPULATION

The total area of New Zealand, exclusive of the territories administered under mandate, is 103,722 square miles. The North Island, with a coastline of 2,200 miles, has a length of 515 miles. The South Island, separated from the North Island by Cook Strait, has a coastline of 2,000 miles and a length of 525 miles. Still farther south, separated from the South Island by Foveaux Strait, is Steward Island.

The estimated total population of New Zealand on March 31, 1938, was 1,594,275, including 85,733 Maoris or natives. The white population is made up almost entirely of Anglo-Saxon stock, and English is the only commercial language.

By mandate of the League of Nations the New Zealand Government now administers also the former German possession of Western Samoa; and, jointly with the Imperial Government and the Government of Australia, holds the League's mandate over the phosphate island of Nauru. The possessions include the Chatham Islands, the fifteen islands of the Cook group (including Niue), and several islands and territories the total population of which is small; Ross Dependency, Kermadec Islands, Union Islands (adjoining the Gilberts and the Aucklands).

New Zealand is a mountainous country, and one-tenth of the total surface of the North Island consists of high mountains. The South Island is even more mountainous, and the massive chain known as the Southern Alps runs almost the entire length of the island, making east-west traffic very difficult. The highest mountain has an elevation of 12,349 feet, and the largest plain is just over 100 miles in length and 40 miles wide.

CLIMATE

New Zealand lies wholly within the temperate zone, and as a result of its isolation and narrowness in the direction of the prevailing winds, its climate is predominantly marine in character. There is, of course, a wide variation in climatic conditions in a mountainous country over a thousand miles in length, for the most part from north to south. The climate of New Zealand

has been described as cool, temperate, moist, and without marked seasonal variations in temperature or precipitation. Except at the higher altitudes, the temperature never reaches zero, although frosts are experienced in all but the extreme north, and 15 to 20 degrees of frost in the South Island is not unusual. There are no extremes of summer heat or winter cold such as are experienced in Canada. There is, however, sufficient change from one season to another to warrant summer and winter clothing of approximately the same weights as are worn in Canada. Rainfall in most parts of New Zealand is spread over the entire year, the heaviest falls occurring during the winter months. The annual precipitation varies from 24 inches in the Canterbury Plains to more than 45 inches in Auckland and over 100 inches on the West Coast. In spite of this heavy rainfall, there is an average annual period of sunshine totalling 2,000 hours. As New Zealand is located in the southern hemisphere, the seasons are opposite to those in Canada—that is, winter in this country extends through June, July, and August, and summer from December to February.

STANDARD OF LIVING

The standard of living compares more than favourably with that of other countries, and the average private income is officially estimated at between \$720 and \$760 per year. The private wealth per head of the population 21 years of age and over is estimated at \$2,800.

Practically every occupation is covered by an award of the Arbitration Court. By these awards skilled agricultural labourers must be paid at least \$10 per week with board. The basic wage for adult male workers per 40-hour week is approximately \$22 for skilled and \$18.75 for unskilled workers. The number of telephones and motor cars per unit of population is very high in comparison with most other countries.

A system of social security is about to be established which will provide comfortable pensions for all in need, free medical attention, free hospitalization, and other services.

AGRICULTURE

New Zealand is primarily a grazing country and has been referred to as one of the best grass countries in the world. Through a generous use of fertilizers and careful selection of suitable dairy types, the production of butterfat has been greatly increased in recent years. According to a recent census there are 4,389,000 head of cattle in New Zealand, including 1,936,000 dairy cattle. Production of butter exceeds 400,000,000 pounds per annum, and production of cheese 200,000,000 pounds. There are 31,305,000 sheep in New Zealand, and the annual wool clip in recent years has exceeded 300,000,000 pounds. The production of meat, hides, and other animal products is also important.

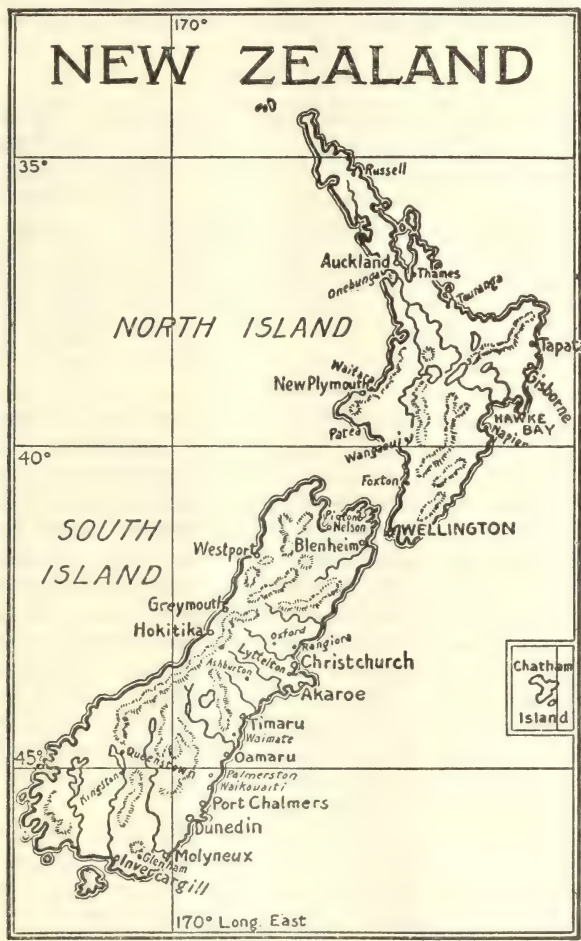
There is a limited area suitable for grain growing; the production of wheat approximates 8,000,000 bushels, and of oats 3,500,000 bushels. Due to the abundant rainfall and many hours of sunshine, wheat yields average more than 32 bushels per acre, and oats more than 45 bushels per acre. Normal wheat production is not sufficient for domestic requirements, and wheat is imported from Canada and Australia.

INDUSTRIES

Assisted and encouraged by substantial tariff preferences, New Zealand is rapidly becoming a manufacturing country, and an increasing number of commodities are now being produced locally. As time goes on there will be a tendency to import more raw or partly manufactured materials and less completely manufactured articles. There are 5,728 manufacturing establishments in New Zealand employing 96,400 hands and paying \$73,000,000 in salaries and wages annually.

OVERSEAS TRADE

New Zealand's total trade per head of population is the highest in the world. This country is one of the leading exporters of butter, cheese, wool, lamb, mutton, hides, and other pastoral products. Imports include motor vehicles, wearing apparel, electrical apparatus, iron and steel products, and a wide range of commodities in everyday use in Canada. New Zealand's trade is largely confined to the United Kingdom, that market alone taking 99 per cent of New Zealand meat exports, 97 per cent of butter exports, and more



than 75 per cent of all exports, supplying in return more than 50 per cent of all imports into New Zealand. The following table shows the value of the imports, exports, and total trade of New Zealand for the past ten years:—

Year	Total Trade	Imports	Exports
1928	\$492,869,000	\$217,343,000	\$275,526,000
1930	471,780,000	242,240,000	229,540,000
1932	269,655,000	112,070,000	157,585,000
1934	303,385,000	106,815,000	196,570,000
1936	373,980,000	158,475,000	215,505,000
1937	460,635,000	201,110,000	259,525,000

TRADE WITH CANADA

Canada has for many years enjoyed a very valuable trade with New Zealand, and in 1936-37 this country was the eighth best market for Canadian goods. The value of imports from Canada into New Zealand reached the record figure of \$20,405,831 in 1929, but by 1932 had fallen to \$3,405,667. From the low figure of the depression, this trade increased to a value of \$18,256,000 in 1937. Motor cars and trucks, newsprint, wearing apparel, food-stuffs, boots and shoes, tools, metal products, machinery, electrical apparatus, and many other Canadian articles are regularly sold in New Zealand. Due to the similarity in production of agricultural products, imports from Canada into New Zealand always exceed exports from this country to the Dominion.

CUSTOMS TARIFF

The New Zealand tariff offers substantial protection for all local industries, and in recent years there has been a tendency to increase the tariff to counteract the increased local costs of production due to a general increase in wages and the institution of the 40-hour week. All products imported from the United Kingdom, and the majority of those from Canada and Australia, are granted the full benefits of the British preferential tariff. However, several important Canadian and Australian products are dutiable at treaty rates higher than the full preferential rates, accorded to United Kingdom goods, but lower than the general tariff rates. In order to qualify for preferential treatment, at least one-half of the factory cost of the imported article (including labour and materials) must be made up of material and/or labour of Canada or some other part of the British Empire and the final process of manufacture must have been performed in British countries. Articles wholly manufactured in Canada or other parts of the Empire from certain specified raw materials and partly manufactured raw materials are eligible for preferential treatment even though the proportion of British labour and/or materials is less than one-half of the factory cost. In the case of motor vehicles, the duty depends on the amount of the Empire content; 75 per cent Empire content qualifies for the full Canadian preferential rates, 65 per cent for a higher rate, and 50 per cent for a still higher rate of duty.

Ad valorem duties are computed as a percentage of the current domestic value increased by 10 per cent. For tariff purposes the New Zealand customs authorities describe the current domestic value as "the fair market value of goods when sold for cash in the ordinary course of business for home consumption in the principal markets of the country from which the goods are exported at the time when they are so exported."

Every exporter is advised to be absolutely sure that the current domestic value shown on his invoices is acceptable to the New Zealand customs authorities, and when any doubt exists, a ruling should be requested from the Official Representative of the New Zealand Customs Department, 44 Whitehall Street, New York City, N.Y. Failure to show the correct current domestic values renders the exporter, through his agent or customer, liable for payment of back duties and substantial penalties. Particulars covering customs regulations and rates of duty may be obtained on application to the Department of Trade and Commerce, Ottawa.

MARKING OF GOODS

Generally speaking, goods imported into New Zealand do not require any special marking indicating the country of manufacture unless they bear words, marks, or signs tending to mislead any person as to the real place of manufacture. The regulations under the Sale of Food and Drugs Act call for special labelling, and the Footwear Regulations Act calls for special marking on certain types of imported footwear. The effect of the marking regulations is to

prohibit the importation of goods bearing any mark or trade-mark purporting to be the mark of any manufacturer in the British Empire when the goods are actually the produce or manufacture of some foreign country. When there is any possibility of confusion, the foreign goods must be clearly marked with the country of origin.

PACKING

In packing merchandise for New Zealand care should be taken to keep the outside measurements of the cases as small as possible, as most freight is assessed on a measurement basis. Overseas steamers come alongside the piers in all the important ports, and modern equipment is used to load and unload the ships. When perishable merchandise is being shipped, it should be borne in mind that steamers en route to New Zealand spend a week or ten days in tropical waters, and special packing may be required. Ocean steamers and local coastal steamers accept corrugated paper cartons.

Packages should be carefully marked in accordance with shipping instructions, and their marks and numbers must agree with those inscribed on the invoice covering the shipment.

WEIGHTS AND MEASURES

New Zealand closely follows the English system of weights and measures, and in correspondence with New Zealand firms, unless otherwise definitely stated, a hundredweight is taken to mean 112 pounds, and a ton to mean 2,240 pounds.

QUOTATIONS

Due to extensive trading with North America, the majority of New Zealand firms are fully conversant with quotations in dollars, and banks throughout the country quote dollar exchange rates daily. Accordingly it is quite in order to submit quotations in Canadian dollars and to invoice goods in this same currency. Some buyers require quotations in sterling, and for customs purposes the amount of all invoices is converted into sterling. It is also the general practice of commission agents to quote prices in sterling when offering Canadian goods to the wholesale trade in New Zealand. For these reasons it would be of assistance to importers to receive quotations in sterling. Where prices are quoted in pounds, shillings, and pence, it is essential that the seller indicate if these are New Zealand or sterling pounds. For the past five years the New Zealand pound has been pegged at a discount of 25 per cent in relation to the pound sterling—that is, 25 shillings New Zealand equal 20 shillings or £1 sterling, and four Canadian dollars are equivalent to one New Zealand pound.

Quotations c.i.f. enable the importer to ascertain the cost of the goods on the wharf, but the domestic value or f.o.b. price should also be stated (or, alternatively, details of the freight and insurance charges) so that the amount of duty payable may be determined. It should be particularly noted that factory prices are of little value, as there is no way of ascertaining in New Zealand the inland freight charges in Canada. Exporters are urged to give full particulars of prices in their first letter, as by doing so they eliminate a delay of some three months in correspondence. Special care should be taken to state whether or not discounts or commission are included in the quotations.

CREDITS

Terms of business vary materially, but the usual practice in trade with New Zealand is to quote cash against documents on arrival of the steamer carrying the goods; this applies particularly when the goods are forwarded by cargo boat and the documents by fast mail boat, in which case the documents sometimes arrive weeks before the goods. In certain cases terms of

thirty, sixty, or ninety days may be desired by the importers. The standard of business ethics among New Zealand firms is particularly high, and when dealing with established companies such terms may usually be granted. In any event, credit reports on New Zealand firms are easily obtainable through the Canadian banks or the Trade Commissioner's office.

Most of the large importers in this country have buyers or confirming houses in Canada or the United States, and accordingly are prepared to pay cash in Canada when these terms are required or a cash discount warrants this method of payment. Consignment business is not recommended except in special circumstances. Adequate banking facilities exist in New Zealand for the handling of overseas trade.

REPRESENTATION

The usual method of representation in New Zealand is through a local firm of commission agents resident in one of the main centres. Several of the larger firms have branches in Auckland, Wellington, Christchurch, and Dunedin; other agents travel regularly through both the North and South Islands, but most of the small agents rely on sub-agents. Before making any binding arrangement, exporters are advised to make sure that their agent is in a position to cover the whole territory and to avoid if possible selecting an agent who operates through sub-agents on a split commission. The usual rate of commission is 5 per cent of the f.o.b. factory price, and when the volume is large and competition keen, agents will accept $2\frac{1}{2}$ per cent. On the other hand, when the volume is small agents will not take on a new line for less than $7\frac{1}{2}$ or 10 per cent.

At one time this country was completely served by wholesale distributors, and a large share of the import business is still handled this way. These wholesalers in some instances hold overseas agencies, and in many cases have given Canadian exporters excellent coverage in this market. The recent tendency, however, has been towards direct sales by agents to the large retailers rather than to wholesalers, and many Canadian lines have been successfully introduced on this basis.

TRADE ROUTES

Direct shipping services operate to New Zealand from both Eastern and Western Canadian ports. The Montreal Australia New Zealand Line maintains monthly cargo sailings from Eastern Canadian ports to all the main New Zealand ports, and the Canadian-Australasian Line operates a four-weekly cargo and passenger service from Vancouver and Victoria via Honolulu and Suva to Auckland. The Union Steamship Company also operates a monthly cargo service from Vancouver via San Francisco, Los Angeles, and Papeete (Tahiti), calling at the main New Zealand ports. Cargo services are also maintained from New York, Gulf ports, and United States Pacific Coast ports.

PARCEL POST AND MAILS

Usually samples, and in many cases shipments, of merchandise can be forwarded to New Zealand at less cost and inconvenience and more expeditiously by parcel post than by freight or express. The same commercial invoices and certificates of value and origin are required for parcel post as for freight shipments. The parcel post rates from Canada to New Zealand are as follows:—

	Via Vancouver Per Lb.	Via San Francisco Per Lb.
Up to and including 10 pounds	\$0.12	\$0.25
Over 10 pounds and up to 15 pounds	1.60	3.00
Over 15 pounds and up to 20 pounds	2.25	3.50

At the present time there is no direct air mail service to New Zealand. Letters sent via England and Australia are carried by steamer from Sydney, Australia, to Auckland or Wellington, and usually take about four weeks in transit. Accordingly, unless a direct steamer mail has just been missed, there is no advantage in using air mail via England. Direct steamer mails close every other fortnight at Vancouver or San Francisco. The Pan American Airways trans-Pacific service via the Orient also takes up to a month to reach New Zealand. In the very near future Imperial Airways will be operating an all-air service between New Zealand and London at rates only slightly higher than the regular postage rates. The Pan American Airways have surveyed a route between Auckland and Honolulu, and when their planes are ready they propose to operate a direct air service from the United States to New Zealand. With these proposed services in operation, the use of air mail will greatly facilitate Canadian trade with New Zealand.

COMMERCIAL TRAVELLERS

There is no licence required for travellers representing Canadian firms; however, a deposit of £10 must be made with the Collector of Customs as security against income tax on business secured. Such a deposit is usually not required from the factory representative where the firm he represents have established connections in New Zealand.

The principal buying season is February, March, and April. It is possible to visit the four largest cities in ten days' time, and a fairly comprehensive tour could be completed in two or three weeks by using the local air services to supplement the rail and inter-island steamer service.

TAXATION OF NON-RESIDENT TRADERS IN NEW ZEALAND

When an overseas firm sells in New Zealand through an agent resident in this country, paying the agent a commission on all business booked, the overseas firm is subject to the New Zealand non-resident traders' tax on the profits accruing from such business. The tax is collected from the local agent, who is entitled to recover this amount from his overseas principals. The tax is based on an audited balance sheet of the overseas shipper, showing the profit or loss on shipments to New Zealand. Where a balance sheet is not presented, the Commissioner of Taxes calculates the profit, taking an arbitrary percentage of the turnover for the year. The percentage adopted varies with the article, or articles, concerned in the trade.

The rate of taxation varies from year to year, but the alterations are slight, and the following figures are typical of the rates that have applied for some years past. When the profit is below £5,500 (\$22,000), the rate is 1s., increased by $\frac{1}{100}$ d. per pound of income. For example, if the profit is £500 (\$2,000), the tax would be 1s. 5d. in the pound, or a total tax of \$141.60. If the profit is over £5,500 the rate is 5s. 7d., increased by $\frac{1}{150}$ d. for every pound in excess of £5,500. The maximum is 7s. 6d. in the pound, reached at £8,950.

All Canadian firms doing business in New Zealand through resident agents who receive their remuneration in the form of a commission on orders booked are subject to this tax; however, where an exporter ships direct to his agents in the various centres of the Dominion, allowing them to resell at their own levels, usually the same price as would be quoted direct by the factory, this tax does not apply. That is, firms selling direct to their agents or to wholesalers or retailers (not through agents) are not subject to the non-resident traders' tax.

NEW ZEALAND OFFICE IN CANADA

The New Zealand Government maintains a Trade and Tourist Commissioner at 320 Bay Street, Toronto, and it is suggested that representatives of Canadian firms contemplating a visit to New Zealand consult this officer.

SUMMARY OF THE TRADE OF CANADA : MONTH, SIX MONTHS, AND TWELVE MONTHS ENDING JUNE, 1938

(Compiled by External Trade Branch, Dominion Bureau of Statistics)

Main Groups	Month of June, 1938			Six months ending June, 1938			Twelve months ending June, 1938		
	Total Imports	From United Kingdom	From United States	Total Imports	From United Kingdom	From United States	Total Imports	From United Kingdom	From United States
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<i>Imports for consumption</i>									
Agricultural and Vegetable Products.....	13,280,380	1,360,178	5,138,948	62,909,120	7,923,807	26,826,864	145,905,281	17,820,315	48,745,472
Animals and Animal Products.....	1,740,820	308,947	804,367	13,339,835	2,363,478	5,042,132	27,525,707	5,165,678	10,819,286
Fibres, Textiles and Textile Products.....	6,061,559	2,917,971	2,138,491	44,882,397	20,922,045	15,138,737	98,051,348	40,736,971	32,693,969
Wood, Wood Products and Paper.....	2,694,251	299,421	2,221,299	15,791,615	1,519,875	13,247,247	38,819,866	3,736,761	27,405,373
Iron and its Products.....	13,397,241	1,697,956	11,045,486	87,301,062	12,357,435	71,837,046	195,598,183	29,493,879	158,278,696
Non-Ferrous Metals and their Products.....	3,298,167	374,801	1,954,892	19,808,124	2,921,937	12,991,001	45,190,603	7,047,840	28,769,541
Non-Metallic Minerals and their Products.....	11,797,264	1,285,462	8,848,374	53,980,091	5,379,667	41,777,952	133,428,494	13,185,211	102,511,113
Chemicals and Allied Products.....	2,669,975	473,224	1,878,387	17,428,538	2,909,219	10,812,911	35,629,744	7,099,064	22,519,984
Miscellaneous Commodities.....	4,027,041	547,231	3,057,806	22,931,453	3,206,577	17,114,536	69,623,645	7,053,441	36,151,248
Total Imports, 1938.....	58,946,698	9,235,191	37,088,050	336,692,235	59,504,040	215,388,726	704,772,871	137,278,860	408,114,363
1937.....	75,668,684	13,392,253	45,621,215	330,815,689	69,516,731	237,793,844	722,201,790	137,655,549	428,345,604
1936.....	57,598,132	11,063,661	33,994,850	293,804,743	56,832,446	178,589,753	583,746,901	120,401,205	335,344,565
<i>Exports (Canadian Produce)</i>									
Agricultural and Vegetable Products.....	14,738,565	7,010,692	1,565,282	74,884,489	44,635,144	9,162,201	209,440,553	130,130,296	26,916,455
Animals and Animal Products.....	8,578,631	5,441,191	2,117,637	54,175,541	33,570,758	13,731,906	128,170,107	76,570,043	36,647,345
Fibres, Textiles and Textile Products.....	1,499,138	258,680	516,633	6,382,463	1,991,957	800,866	13,920,788	3,752,708	2,056,032
Wood, Wood Products and Paper.....	17,402,054	3,560,034	11,075,364	94,640,482	18,163,872	60,408,529	238,663,030	44,800,693	155,583,188
Iron and its Products.....	6,182,324	1,060,118	3,638,878	34,372,703	8,296,063	2,448,192	69,524,324	16,052,452	6,102,945
Non-Ferrous Metals and their Products.....	12,539,669	7,182,122	2,638,351	93,692,877	48,195,953	20,203,168	244,818,288	105,682,998	89,714,451
Non-Metallic Minerals and their Products.....	2,252,980	213,830	918,517	11,266,526	1,290,311	5,567,782	28,191,643	3,376,620	15,401,113
Chemicals and Allied Products.....	1,654,170	361,624	621,381	10,767,484	2,342,275	5,101,254	20,029,652	4,995,711	8,541,768
Miscellaneous Commodities.....	1,814,412	513,811	881,497	10,954,319	2,445,306	4,392,740	20,191,101	4,210,803	9,796,975
Totals, 1938.....	66,661,943	25,600,102	20,698,440	391,076,834	160,931,639	121,816,638	972,949,486	389,572,324	350,760,272
1937.....	113,918,104	37,921,628	52,120,551	528,319,499	175,959,790	241,237,412	1,123,716,443	417,257,328	481,065,904
1936.....	79,181,200	33,270,582	26,462,157	419,808,491	158,533,447	166,836,015	898,138,256	349,005,463	367,664,100
<i>Exports (Foreign Produce)</i>									
Totals, 1938.....	11,645,891	8,043,297	533,801	24,602,813	13,107,333	6,462,565	31,415,198	13,727,106	12,053,324
1937.....	1,379,539	80,065	1,209,817	7,955,476	676,751	6,630,864	15,914,535	1,112,547	13,618,067
1936.....	761,136	95,320	1,583,337	4,737,400	482,595	3,894,591	12,977,373	878,142	11,361,069
<i>Excess of Imports (i) or all Exports (e)</i>									
Totals, 1938.....	(e) 19,361,136	(e) 24,408,208	(i) 15,855,809	(e) 78,987,412	(e) 114,534,932	(i) 87,109,523	(e) 239,591,813	(e) 266,020,570	(i) 105,300,767
1937.....	(e) 39,628,959	(e) 24,609,440	(e) 7,709,153	(e) 155,459,286	(e) 107,119,810	(e) 10,074,432	(e) 417,429,188	(e) 282,714,326	(e) 66,338,427
1936.....	(e) 22,344,204	(e) 22,302,241	(i) 6,949,356	(e) 130,741,208	(e) 102,183,596	(i) 7,859,147	(e) 327,368,728	(e) 229,482,400	(e) 43,680,604

HAY CROP AND MARKET CONDITIONS IN THE UNITED KINGDOM

FREDERIC HUDD, CHIEF CANADIAN TRADE COMMISSIONER IN THE UNITED KINGDOM

London, July 19, 1938.—It is usually the middle of July before it is possible to indicate with reasonable accuracy the conditions of the hay crop and market in the United Kingdom. This year there is a greatly reduced crop, but two factors militate against any large increase in importations: the large carry-over from last year and decreased consumption resulting from increased mechanization.

GENERAL CROP CONDITIONS

It is estimated that the yield of seed hay in England and Wales will be about 20 cwts. per acre as compared with the 10-year average of 26·7 cwts., and of meadow hay about 14 cwts. per acre as compared with 19·7 cwts. With 2,200,000 acres sown to clover and rotation grasses and 4,600,000 acres of permanent grass available for hay, the crop in England and Wales will probably not exceed 4,800,000 long tons; this represents a heavy reduction from last year's bumper crop.

CROP CARRY-OVER

Last year's crop of over 7,000,000 tons left a large carry-over, which was very useful during the spring drought of this year. Stocks remaining on January 1, 1938, were officially estimated at 4,800,000 long tons and on April 1 at 1,700,000 tons. In most years hay feeding is no longer necessary after the middle of April, but this year over 800,000 tons were consumed in April and May, leaving some 836,000 tons, or about one-ninth of last year's crop, on hand at June 1.

Although the present crop is expected to be only about two-thirds that of 1937, there is no evident shortage, since prices continue low. Next fall, of course, when the stock are brought in, both demand and price will increase.

EFFECT OF MECHANIZATION ON DEMAND

Increased mechanization is drastically reducing the number of horses in the United Kingdom and directly reducing the consumption of hay. The army, which used 16,408 horses in 1933-34, has only 5,205 in 1938-39. This is but one sphere in which mechanization has effected reduction in the use of horses; there is a similar steady decrease noted among cartage companies, breweries, stores, collieries, etc.

GRADING OF HAY

The question of grading hay is discussed fully in the report entitled "Feed-stuffs in the London Market," copies of which are available on application to the Department of Trade and Commerce, Ottawa. Canadian exporters of hay should familiarize themselves with this analysis of the market's requirements in order to avoid as far as possible the constantly recurring complaints among United Kingdom importers against poor quality hay shipped from Canada.

Importers are accustomed to purchasing hay on the basis of "f.a.q."—fair average quality—but f.a.q. is obviously a matter of personal opinion. For example, clover is practically essential to a good f.a.q. in London but is unacceptable in Glasgow. Generally speaking, the demand is for a hay of about No. 2 grade or a good No. 3

PROSPECTS FOR CANADIAN HAY

The following reports on conditions throughout the United Kingdom indicate that importations of Canadian hay are likely to increase with the coming of winter but, in view of the circumstances already outlined, it is not anticipated that the demand for hay from Canada will be greatly above the average. At the end of the summer, when final crop data will be available, it should be possible to furnish a more accurate forecast and a further report will be available at that time.

Southeastern England

H. L. BROWN, ASSISTANT TRADE COMMISSIONER, LONDON

CROP CONDITIONS

Due to drought and cold winds in the early part of the season, the first crop of hay in this area is definitely short, and some of it, caught by the rains, is rather weathered. Much of the meadow hay has not been cut, some farmers hoping that the August sun would revive it, while others turned their stock on it to graze. The rains of recent weeks, with a good sun in August, may bring restored growth to that hay which had not gone to seed or been used, but it is generally anticipated that the meadow crop will be under the average. Mixtures, sainfoins, and alfalfa are in many cases fair crops.

MARKET CONDITIONS

Trading conditions are extremely quiet; consumption of hay is down to a minimum, as is usual at this time of the year. Supplies are purchased in only limited quantities and farmers, owing to the short crop and lack of feed, are not interested in selling. Prices indicate that there is no shortage at present.

Fair quantities of Canadian hay, 1937 crop, are being offered on spot, and supplies are moving quietly through long-established channels.

Complaints against the quality of this Canadian hay are rather frequent, and it is evident that some Canadian exporters are not taking sufficient care in selecting hay for export, possibly because of the prices. Exporters should remember that Canadian hay is purchased only to supplement United Kingdom supplies, and is therefore expected to be of a quality similar to that of the domestic hay; Canadian f.a.q. hay is not purchased because of any unique qualities. It is advisable, therefore, to supply the best that the market price will permit in order to build up a good reputation for Canadian hay. This is especially true of shipments intended for racehorses or other high-class stock for which the owners require feed of good quality.

A moderate quantity of Canadian hay will probably be in demand in the fall, when stock are taken off pasture, but the quantity will not be as great as the short crop might indicate, due to the carry-over from last year and gradually decreasing consumption.

West of England, South Midlands, and South Wales

E. L. McCOLL, CANADIAN TRADE COMMISSIONER, BRISTOL

CROP CONDITIONS

There are contradictory views as to the amount of hay which will be harvested this autumn in the West of England; opinions of hillside farmers differ from those whose lands lie in the valleys, as the former have suffered more

severely from the drought. The general opinion is, however, that there will be a very short crop, town traders placing it at half of normal.

Hay crops in the Midlands are as yet on the light side, but the recent rains have brought improvement, and should showery weather continue for a fortnight, the prospects may improve. Cutting will be much later this year than usual, and the yield undoubtedly below average. In recent years increasing attention has been paid to grasslands, especially in the use of fertilizers, resulting in production of heavier crops. Owing to the dry season, these artificial manures have had a chance to act, and now that the rains have come, the yield from these fields is expected to be 75 per cent of normal.

In South Wales it is anticipated that the crop will be not more than 50 per cent of normal, although favourable weather conditions may bring about some improvement.

MARKET CONDITIONS

There was a heavy carry-over of hay from last year, but a considerable quantity has already been used for summer feeding of live stock out on pasturage. Nevertheless, last year's surplus has steadied the market.

Two months ago the farmer who was short of hay had to pay his neighbour from £2 to £3 a ton, depending on quality, and haul it away. This price was 30 to 40 per cent higher than that which obtained during December and January last. To-day these prices have doubled. Some Canadian hay has arrived at nearby ports at c.i.f. prices ranging from £3 15s. to £4 per ton. This price will be increased by an additional 6s. to 7s. per ton for placing this hay on railways cars.

Current wholesale prices for prime meadow hay on Birmingham market are £3 15s. to £4 per ton, delivered buyer's station. Quotations for hay in the stack vary from £2 10s. to £3 per ton. Clovers are about 10s. per ton over these prices. There are still quite fair stocks of old hay in many parts of the South Midlands.

A considerable quantity of hay has been contracted for from abroad, of which parcels are already arriving at Bristol Channel and South Wales ports.

DECREASING USE OF HAY

Due to increased mechanization, the consumption of hay is declining. A report from South Wales indicates that the demand from the Government, collieries, and railway companies, who are the chief purchasers of hay as feed for horses, is down at least 25 per cent as compared with last year. This will offset the effect of the short crop, which has raised prices for hay and clover at least 25 per cent.

North of England

BLAIR BIRKETT, ASSISTANT TRADE COMMISSIONER IN LIVERPOOL

CROP CONDITIONS

The dry weather conditions that obtained throughout March and April, and the cold period which followed, seriously affected the growth of grasses. Although subsequent rains have improved prospects for the new crop to some extent, the most optimistic forecast does not place the yield at more than 60 to 75 per cent of normal. Wet weather in mid-July interfered with harvesting, and there is some indication that the quality of the hay will be adversely affected.

MARKET CONDITIONS

Supplies of old crop English hay are exhausted. Limited quantities of prime Yorkshire clovers are being held for £5 7s. 6d., with Lancashire and Cheshire hay selling at from £4 15s. to £4 17s. 6d. delivered to buyers.

Receipts of Canadian hay throughout the winter months were light and irregular. Since the opening of the port of Montreal, however, the trade has experienced the usual increase. The grades offered have been mostly f.a.q., and reports received are to the effect that this hay has not been quite up to specification. In the opinion of one or two importers this may turn buyers to better qualities. Recent Canadian arrivals have been light, and it is understood went directly into store. Good f.a.q. is quoted at £4 5s. on the wharf and timothy at from £4 10s. to £4 15s. per long ton c.i.f., according to quality.

Importers are showing great interest in the favourable reports on the Canadian crop prospects. Since it is anticipated that the domestic crop will be well below normal, they expect that Canadian and other hay will be in better demand than for some years. A word of caution, however, is given in some quarters against shippers becoming too optimistic; as reported, there is still in this market an abnormally heavy carry-over from last season, and while it is being steadily disposed of, it is impossible to estimate how long it will last or how much is being held over for sale in the autumn and winter. The situation, therefore, requires close attention, and exporters should hesitate about making large shipments to this market.

Scotland

G. B. JOHNSON, CANADIAN TRADE COMMISSIONER, GLASGOW

CROP CONDITIONS

The season for Canadian hay has opened with the market more than ordinarily well supplied with domestic hay. The crop in Scotland in 1937 was about average in quantity and reasonably good in quality, but heavy imports of hay from Canada last year tended to keep the home-grown hay off the market for two or three months, with the result that the Scottish crop is being marketed during a shorter period than usual, thus adding to the carry-over.

Earlier this year it was anticipated that the long spell of dry weather during March, April and early May would tend to reduce the size of the crop, but the abundant rain during May and June has resulted in a much more satisfactory crop than was expected, and it is now estimated that the hay crop will be about average in quantity. The general opinion is that the quality of the hay will not be as good as usual, as there has been a decided lack of warm weather and sunshine, which are essential for the proper growth of this crop. The hay will be soft in texture and perhaps a little more grassy than usual.

MARKET DEMAND

In the Glasgow market the demand is for a clean, strong timothy; Canadian hay containing clover is not favoured. From time to time there have been unusually heavy shipments of Canadian hay to the Glasgow market, some on consignment, which has led importers and wholesalers in Glasgow to believe that Canadian hay shippers have an exaggerated idea of the consuming capacity of this market for hay from the Dominion. There are few seasons in which the British hay crop is not, on the whole, sufficient to render heavy imports an uneconomic venture. Unofficial reports of a heavy demand should be received with caution unless confirmed, or otherwise substantiated, by cabled information from the Canadian trade commissioner service in Great Britain. At an outside estimate Glasgow can only absorb an average monthly quantity of about 300 long tons (of 2,240 pounds).

Whatever the yield and grade of the Scottish crop, the superior quality of the best Canadian timothy creates a steady demand for it in a normal market at about \$1.80 to \$2.50 a ton more than can be obtained for the best Scottish hay.

Every hay buyer in the Glasgow area is informed of the arrival of shipments at the Glasgow docks and knows how much there is available; consequently the importer is compelled to sell at gradually decreasing prices if the quantity is greater than can be readily absorbed.

CANADIAN HAY

When the quality of Canadian hay is inferior to the usual standard received at Glasgow, as it sometimes is, the price is reduced very much out of proportion to the difference in quality. This is due to the fact that a slight reduction in quality puts it in the same class as the best Scottish hay, of which there is usually an abundance. While the exporter cannot control other conditions, he can control the class of hay shipped, and it is only by attending to this point that there is any prospect of a continuance of the trade. With a further drop in the number of horses employed in transport, the home crop is more than ever adequate to meet all ordinary requirements, and it is only the outstanding qualities of Canadian shipments that justify any difference in price.

The large importers in Scotland buy from Canada in considerable quantities and sell to the wholesale merchants. Sometimes Canadian shippers endeavour to sell direct to wholesalers or even to consumers. While there is no hard and fast line between the importers and wholesalers, speaking generally it is a mistake for Canadian firms to try to sell to more than one class of buyer. They should endeavour to limit their sales in each case to one large firm of importers.

The shipping companies are allotting more space for Canadian hay, which will tend to facilitate business, but with the abundance of domestic hay being placed on the market at low prices, there is not much prospect of an expanding trade in Canadian hay for a time at least.

To-day's selling price in Glasgow for best Canadian timothy is 90s. per long ton, ex quay, that is after all port dues, landing and watching charges have been paid.

ROYAL AGRICULTURAL SOCIETY'S SHOW AT CARDIFF

E. L. MCCOLL, CANADIAN TRADE COMMISSIONER

Bristol, July 22, 1938.—The Royal Agricultural Society's Show, an event of considerable importance, particularly to Wales and the West of England, was held at Cardiff during the week of July 4 and attracted agriculturists from Argentina, Australia, New Zealand, South Africa, the United States, and Canada. The selection of Cardiff for the 1938 show was very appropriate, since agriculture, in its widest sense, is the most important industry in Wales. Of its total area of 5,000,000 acres, 75 per cent is in permanent grass, while 12 per cent is devoted to arable farming. Of the arable area, 282,000 acres is in sown leys. Wales, therefore, is chiefly a grassland country.

EXHIBITS

The exhibits, for which £16,000 was offered in prizes, were made up principally of live stock, but every branch of agriculture was represented. Various buildings were set aside for dairy products where, among other activities, competitions in butter-making were held. Two buildings were assigned to demonstrations of the progress that is being made throughout the country in agricultural education and research. The ill effects of poor breeding of poultry, of soil neglect, and of plant diseases were among the many subjects of farm husbandry dealt with from the scientific side.

LIVE STOCK

There are approximately 100 pedigree breeds of live stock in Great Britain, and of these some 63 were exhibited. The number of live stock entries, exclusive of double entries, were: horses, 524; cattle, 175; sheep, 662; and pigs, 634.

AGRICULTURAL MACHINERY

Exhibits of agricultural machinery included the latest types of crop-drying machines and tractors, and other mechanical aids to intensive agricultural production. Mechanized transport on the farm is now considered essential, and tractors on British farms are estimated to number 45,000. The model of an all-electric farm aroused a great deal of interest. Its total area of 24,000 square feet was filled with every modern device designed to save labour and money.

CANADIAN EXHIBITS

A wide range of Canadian agricultural machinery and tools was on view at several stands. One Canadian firm exhibited over thirty different types of farm implements. The amount of new and prospective business secured was satisfactory. Canadian wire fencing, tree-stump pullers, cattle-feed grinders, saw benches, and lumbering tools were some of the articles, additional to the machinery classification, which elicited interest. Canadian barn equipment made a particularly effective display.

A stand which drew considerable attention was devoted to fine specimens of Canadian silver fox skins and furs. They were favourably commented upon, especially by local land-owners and farmers, who compared the pelts from Canada with those produced in the United Kingdom.

One firm exhibited poultry houses and garden and seaside one- and two-room bungalows of sectional construction made from Canadian timbers. British Columbia pine and Western red cedar shingles were also shown.

EFFORTS TO ASSIST THE FARMING INDUSTRY

The policy and efforts of the Royal Agricultural Society co-ordinate with those of many other official organizations the activities of which are directed towards reducing the country's present dependence upon foreign foodstuffs by increasing home production, the present gross annual value of which is placed at £250,000,000. Agricultural methods have undergone a wide change in the United Kingdom since 1913, which might, in the main, be described as a transition from arable to grassland farming.

Agriculture continues to receive the serious attention of the Government, and the work of Marketing Boards for milk and pigs, and that proposed for poultry and eggs, should eventually alleviate some of the difficulties of the farmers. The shortage of expert farm labour is causing concern, there being a tendency for farm workers to drift into industrial employment in pursuit of better wages and housing conditions than obtain in many rural districts. To offset this, and also to improve farming practice, the interest of young people in farming communities is being encouraged by the formation of Young Farmers' Clubs, through which prizes are given for the rearing of live stock by the members thereof. The younger generation also has the opportunity of acquiring a knowledge of up-to-date farming methods by means of scholarships, or on payment of moderate fees, at one or other of the County Farm Institutes.

There are a dozen of these County Farm Institutes in the United Kingdom which, together with the Department of Agriculture and such organizations as

the Royal Agricultural Society, are doing effective work towards promoting better farming and increased production.

A detailed description of any class of exhibits or, in the case of live stock, a description of the breeds, including the prize winners in each classification of the Cardiff Show of the Royal Agricultural Society, may be obtained on application to the Canadian Trade Commissioner, Northcliffe House, Colston Avenue, Bristol, England.

TRADE COMMISSIONERS ON TOUR

Mr. Yves Lamontagne, Canadian Trade Commissioner at Brussels, Belgium; Mr. A. B. Muddiman, Canadian Trade Commissioner at Milan, Italy (whose territory includes Spain, Portugal, Gibraltar, Malta, Albania, and Yugoslavia); and Mr. M. J. Vechsler, Canadian Trade Commissioner at Lima, Peru (whose territory includes Bolivia, Ecuador, and Chile), are visiting the principal industrial centres of Canada in the interest of Canadian trade with their respective territories. Their itineraries are as follows:—

Mr. Lamontagne

Victoria	Aug. 8 to 10	Granby	Aug. 26 and 27
Winnipeg	Aug. 12	Saint John	Aug. 29
London	Aug. 15	Halifax	Aug. 30
Kitchener	Aug. 16	Quebec City	Sept. 1
Toronto	Aug. 17 to 20	Ottawa	Sept. 2
Montreal	Aug. 22 to 25		

Mr. Muddiman

Halifax	Aug. 8 and 9	Montreal	Aug. 13 to 23
Saint John	Aug. 11 and 12	Ottawa	Aug. 24 and 25

Mr. Vechsler

Vancouver	Aug. 10 to 24	Toronto	Sept. 6 to 20
Kelowna	Aug. 26	Ottawa	Sept. 23
Edmonton	Aug. 31		

Firms who wish to be brought in touch with the Trade Commissioners should communicate: for Toronto, Winnipeg, Edmonton, and Vancouver, with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other centres, with the respective Board of Trade or Chamber of Commerce.

AUSTRALIAN TRADE WITH CANADA, 1936-37

L. M. COSGRAVE, CANADIAN TRADE COMMISSIONER

IV

(Values of imports into Australia are recorded generally f.o.b. port of export in British currency plus 10 per cent; £stg.1 equals \$5 Canadian)

Following is an additional list of commodities imported into Australia in 1936-37 of interest to Canadian exporters, with total values and amounts credited to each of the chief supplying countries:—

RUBBER AND LEATHER AND MANUFACTURES THEREOF, AND SUBSTITUTES THEREFOR RUBBER AND RUBBER MANUFACTURES

Boot Elastic.—Total, £7,061 (£3,578).

Although Canada participated to only a small extent in supplying this item, her share increased to £454 from £218; other suppliers were: United Kingdom, £3,497 (£2,870); United States, initial shipments to the value of £1,856; and Japan, £892 (£131).

Apparel Elastic.—Total, £134,517 (£168,282).

A marked decrease was shown in the imports from Canada, the value amounting to £10,613 as compared with £22,120 in the previous year. The United States also showed a substantial decrease from £50,164 to £25,373, while other countries showed varying increases, viz: United Kingdom, £61,492 (£61,042); Japan, £29,708 (£27,661); Germany, £5,031 (£4,728); and Belgium, £1,223 (£1,172).

Floor Coverings and Floor and Carriage Mats of Rubber.—Total, £7,113 (£6,683).

The United Kingdom was the chief supplier with £3,747 (£3,055); the United States also showed an increase with £2,133 (£2,106), but imports from Canada decreased to £444 from £686.

Gloves, Rubber.—Total, £2,479 (£2,521).

Canada retained her position as leading supplier with £1,371, a slight increase over the previous year's figure (£1,199). Other supplies were received from the United Kingdom, £1,008 (£999), and the United States, £42 (£142).

Rubber and Other Hose.—Total, £12,762 (£9,806).

While not a large supplier of these commodities, Canada showed a gratifying increase to £1,164 from £482 in the previous year. United Kingdom supplies also increased, £8,903 (£6,238), while decreases were shown by the United States, £2,304 (£2,402), and Japan, £278 (£637).

Syringes, Medical and Hospital Supplies, Bandages, Football Bladders, etc.—Total, £15,037 (£16,300).

Supplies were received from the following countries: United Kingdom, £8,026 (£9,127); United States, £3,367 (£2,801); Germany, £1,642 (£1,856); Japan, £1,379 (£1,509); and Canada, £462 (£864).

Rubber, All Other Articles of.—Total, £73,240 (£61,001).

All supplying countries showed an increase during the year under review, imports coming from the following: United Kingdom, £40,568 (£35,559); United States, £13,459 (£11,581); Japan, £7,881 (£7,228); and Canada, £5,412 (£3,018); with smaller values for Germany, British Malaya, and New Zealand.

LEATHER AND MANUFACTURES OF LEATHER, AND SUBSTITUTES THEREFOR

Belting, Canvas and Composition.—Total, £21,887 (£16,026).

The United Kingdom was the chief supplier with £13,714 (£8,502), followed by Canada with £4,324 (£4,559), and the United States, £3,562 (£2,656).

Belting, Leather.—Total, £5,933 (£5,263).

The United Kingdom again was the chief supplier with £3,917 (£3,684); Canada ranked second with an increase to £947 from £63, while the United States was third with a decrease to £917 from £1,283.

Belting, Rubber.—Total, £9,131 (£7,039).

Canada held second position as a supplier of this item with the increased figure of £3,576 (£2,750), the principal country of supply being the United Kingdom, £4,162 (£2,548). Japan and the United States also participated, but with decreased amounts.

WOOD AND WICKER, RAW AND MANUFACTURED

Furniture N.E.I.—Total, £57,442 (£49,111).

The United Kingdom held first position as a supplier of this item with £24,429 (£21,882), followed by the United States, £9,604 (£9,859); Sweden, £7,339 (£4,700); Japan, £3,528 (£4,297); China, £3,374 (£1,608); and Canada, £1,949 from £489.

Timber, Undressed, N.E.I. for Manufacture of Boxes.—Total, £243,539 (£261,737).

Canada dominated this trade with £239,749 (£241,601), Sweden supplying to a value of £1,917 (£3,534); and the United States, £1,873 (£14,928).

Timber for Making Boxes, Cut to Size, Dressed or Partly Dressed.—Total, £85,991 (£77,587).

A substantial increase was shown in the value of imports from Canada, £53,354 as compared to £35,360. Increases were also shown by the United States, £13,221 (£10,302); Sweden, £12,983 (£8,615); and Netherlands, £1,332 (£785); supplies from Finland dropped to £1,178 (£12,227). Decreases were also shown by all the other participating countries, viz. Norway, Germany, New Zealand, and British Malaya.

Timber for Making Boxes, Cut to Size, Undressed.—Total, £6,391 (£3,645).

Canada, the leading supplier, showed a substantial increase with £4,959 (£1,492), small amounts only being shown for British Malaya and New Zealand.

Logs, Not Sawn, Douglas Fir.—Total, £365,482 (£275,292).

Canada with £345,793 (£264,304) and the United States with £19,689 (£10,988) shared this trade.

Logs, Not Sawed, Other.—Total, £39,094 (£40,176).

Canada was the principal country of supply with £14,028 (£5,368). Decreases were shown by the Solomon Islands, £5,340 (£13,192); British Borneo, £7,337 (£10,590); and the Philippine Islands, £4,839 (£7,826); but the United States improved her position with £1,707 (£1,414), as did New Guinea with £2,830 (£51) and India, £1,118 (£44). Small supplies also came from the United Kingdom and Japan.

Plywood, Veneered or Otherwise.—Total, £15,327 (£17,326).

The major portion of this commodity came from Japan, £9,957 (£10,293), and the United States, £3,820 (£5,483); Canada increased her small share to £146 (£5).

Shingles.—Total, £1,028 (£1,035).

The United States, £918 (£916), and Canada, £110 (£105), shared this small trade.

Staves, Undressed.—Total, £16,031 (£10,800).

Three countries participated in this trade: United States, £6,288 (£6,037); Canada, £6,390 (£2,508); and Poland, £3,353 (£1,319).

Undressed Timber, N.E.I., Western Red Cedar (in Sizes 8" by 2").—Total, £3,017 (£7,245).

A heavy decrease was shown in these imports, practically the whole of which came from Canada, £2,921 (£6,664). The United States was credited with £96 (£581).

Undressed Timber, Douglas Fir (in Sizes less than 7" by 2½").—Total, £11,750 (£9,033).

Canada dominated this trade with an increased value of £10,990 (£8,437), the United States supplying to a value of £760 (£590).

Undressed Timber, Other, in Above Sizes.—Total, £249,866 (£408,588).

Decreases were recorded for the majority of the countries supplying under this heading, New Zealand dropping to £162,252 (£317,546). Finland ranked next with £18,674 (£20,719), followed by the United States, £17,302 (£20,911), and the Philippines, £12,805 (£14,778); Canada's share was £6,687 (£7,300). Other supplies were received from Sweden, Japan, the United Kingdom, and Czechoslovakia.

Undressed Timber N.E.I., in Sizes 7" 6" by 10½" by 2½", for the Manufacture of Doors.—Total, £42,581 (£34,710).

Canada showed a noteworthy increase with £18,073 (£9,681), the major portion coming from the United States, £22,190 (£23,570), while the Philippines are credited with £2,318 (£1,457).

Undressed Timber N.E.I., Western Red Cedar in Measurements as Above.—Total, £1,211 (£1,965).

Canada supplied the whole of this amount, supplies from the United States dropping to nil as compared with £584 (54,095 super. feet) in the previous year.

Undressed Timber N.E.I., Douglas Fir (in Sizes 7" by 2½" and Upwards and less than 12" by 10").—Total, £42,234 (£29,234).

A marked increase in imports from Canada was shown in this commodity, £36,223 (£22,754). The United States supplied to a value of £6,011 (£6,480).

Undressed Timber N.E.I., Other, in Above Sizes.—Total, £66,988 (£68,845).

New Zealand was the leading supplier with £24,096 (£26,540), followed by the United States, £16,085 (£17,842); Canada was third with the increased figures of £14,621 (£10,759). Other participating countries were the Philippines, Sweden, India, the United Kingdom, and Japan.

Undressed Timber N.E.I., Douglas Fir for Mining Purposes (12" by 6" or over).—Total, £14,870 (£58,487).

Decreases were shown by both Canada, £12,693 (£48,669), and the United States, £2,177 (£9,818), which shared this market.

Douglas Fir, Other, in Above Sizes.—Total, £59,666 (£29,595).

Canada and the United States also shared this market, the former showing a substantial increase to £57,818 (£28,722) and the latter a slight increase to £1,848 (£873).

Veneers.—Total, £22,868 (£18,231).

The United States was the main source of supply with imports to the value of £10,929 (£7,790). France also showed an increase with £4,832 (£2,298), as did the United Kingdom, £2,227 (£2,150); Germany, £2,022 (£1,801); and Switzerland, £1,327 (£516); but Canada showed a decrease to £442 from £2,053 in the previous year.

Wood Manufactures, Partly or Wholly Finished, including Bellows, Sashes and Frames, Window Screens, etc.—Total, £167,110 (£164,110).

Sweden was the main supplier under this heading, £46,916 (£38,966); followed by Latvia, £37,725 (£43,168); United Kingdom, £32,583 (£29,907); and Lithuania, £22,074 (£18,626). Canada showed a decrease to £1,865 from £2,194.

Handles, Tool, Imported Separately, Axe, Adze, Hammer over 24", Mattock and Pick.—Total, £24,992 (£27,729).

The United States with £13,438 (£13,331) and Canada with £11,149 (£13,717) practically shared this market, the United Kingdom being the only other supplier, £405 (£509).

Handles, etc., N.E.I.—Total, £4,705 (£4,818).

Canada, the chief supplier, showed a slight increase to £2,035 (£1,426), while supplies from the United States decreased to £1,792 (£2,364) and from the United Kingdom to £835 (£1,008).

EARTHENWARE, CEMENTS, CHINA, GLASS AND STONEWARE

Under this heading is included a wide variety of bottles, flasks, jars, china of all types, cement and fireclay manufactures. Of some interest to Canada are the following:—

Firebricks, Other, of All Kinds.—Total, £36,408 (£8,799).

The greater portion of the imports came from the United Kingdom, £21,746; other sources were: Germany, £5,662 (£1,490); United States, £5,263 (£3,006); and Austria, £3,160 (£573); Canada is shown with initial shipments to the value of £561.

Cement, Asbestos or Similar Materials, Sheets and Roofing Slates.—Total, £2,483 (£2,024).

The United Kingdom was the only supplier of note in this trade, imports from foreign countries being valued at only £41.

Glass, Bent, Bevelled, Heraldic, etc.—Total, £12,659 (£12,824).

Countries interested in this market were: United Kingdom, £4,338 (£2,837); Belgium, £3,134 (£2,426); Japan, £1,612 (£2,499); Germany, £1,078 (£1,260); and the United States, £311 (£285). In the previous year Canada was the leading country of supply with £3,031, but this year showed a heavy decrease to £563.

Glass N.E.I.—Total, £83,813 (£78,325).

Canada was the chief shipper of this item, but showed a marked decrease with only £34,520 as against £43,746 in the previous year. The United Kingdom improved her position with £19,690 (£11,345) and the United States with £16,566 (£11,381); other countries to show increases were Belgium, £9,035 (£8,370), and Germany, £2,942 (£2,456).

Seltzogenes and Accessories, and Syphon Bottles.—Total, £5,201 (£3,140).

The United Kingdom enjoyed the bulk of this trade with £4,760 (£3,140), Canada supplying the balance, £441.

Lenses N.E.I., Locket, Brooch, and Watch Glasses.—Total, £34,364 (£40,550).

The United Kingdom with £17,667 (£28,957) and the United States with £10,203 (£6,022) were the leading suppliers, Canada coming next with increased figures of £2,279 (£704). Other interested countries were Japan, £1,677 (£1,162); France, £1,269 (£1,014); and Germany, £1,071 (£2,193).

Plaster of Paris and Gypsum.—Total, £8,992 (£7,580).

The United Kingdom was the principal supplier with £3,479 (£2,353), Canada ranking second with £2,349 (£851); the balance was supplied by the United States, £1,672 (£3,000), and Germany, £1,020 (£1,095).

PAPER AND STATIONERY

Blotting Paper.—Total, £28,815 (£25,788).

The bulk of these supplies came from the United Kingdom, £25,359 (£22,811); Canada ranked second with an increase to £1,146 (£829), while the balance came from Germany, £1,126 (£841), and the United States, £1,002 (£718).

Paper Boards, Other than Millboards, Strawboards.—Total, £218,804 (£214,157).

The three leading suppliers were the United Kingdom, £69,426 (£61,511); Sweden, £48,482 (£55,203); and Germany, £48,371 (£46,896). Substantial supplies were also received from Finland, £12,928 (£8,511); the United States, £11,490 (£13,228); and Canada, £11,060 (£10,234). Other countries sharing in this trade were Austria, Belgium, Latvia, Netherlands, and Norway.

Cover Paper Other than Pressings.—Total, £12,234 (£12,004).

Under this heading supplies from Canada showed a decrease in value from £508 to £243. The United Kingdom was the chief supplier with £6,814 (£6,867), followed by Austria with £1,524 (£1,466) and Germany, £1,470 (£1,163); Czechoslovakia supplied to a value of £730 (£1,207); Finland, £563 (£245); and the United States, £345 (£226).

Electrical Insulating Paper and Boards.—Total, £31,825 (£20,496).

Canada is shown as entering this trade with shipments to the value of £197, the bulk of the supplies coming from the United Kingdom, £25,978 (£15,534). Other sources were: United States, £2,804 (£3,508); Germany, £1,298 (£189); Japan, £770 (£743); and Sweden, £632 (£459).

Fruit Wrapping Paper.—Total, £46,235 (£34,433).

Sweden was the chief supplier with £33,967 (£25,629), other participating countries being the United States, £6,522 (£3,034); Finland, £2,965 (initial shipments); Norway, £2,675 (£5,159); and United Kingdom, £106 (£124). In the previous year Canada was shown with £27, but there were no imports shown for the year under review.

Gummed Paper.—Total, £25,280 (£26,373).

The value of supplies from Canada of this commodity also fell to nil as compared with £38 in the previous year, the bulk coming from the United Kingdom, £23,274 (£25,063).

Paper Felt and Carpet Felt Paper.—Total, £6,043 (£1,750).

Under this heading Canada is shown as leading supplier with initial shipments to the value of £2,629, followed by the United States with £2,261 (£1,685) and the United Kingdom, £1,106 (£40).

Newsprinting, Not Glazed, Mill-glazed or Coated, in Rolls Not Less than 10 Inches in Width.—Total, £1,811,535 (£1,345,179).

A substantial increase was shown in the value of supplies of this commodity from Canada, the total being £1,301,304 as compared with £751,708 in the previous year. The United Kingdom was the second largest supplier with £507,679 (£588,275), followed by Norway with £1,742 (£4,127) and Sweden, £611 (£583).

Newsprinting, in Sheets Not Less than 20 Inches by 25 Inches.—Total, £112,906 (£83,141).

Again Canada was the chief supplier with increased figures of £75,526 (£51,357), followed by the United Kingdom with £31,838 (£26,657); the balance came from Germany, £2,081 (£2,035); Norway, £1,934 (£1,217); and Sweden, £636 (£658).

Printing N.E.I., Glazed, Unglazed, Mill-glazed or Coated, Not Ruled or Printed, in Rolls Not Less than 10 Inches.—Total, £93,333 (£92,440).

The United Kingdom was the chief supplier with £63,096 (£57,163), Canada ranking second with £15,357 (£15,483), followed by Sweden, £5,027 (£10,862); Norway, £4,555 (£4,816); Austria, £2,418 (£1,810); Finland, £624 (£315); and United States, £238.

Printing N.E.I., Glazed, etc., in Sheets Not Less than 20 Inches by 25 Inches.—Total, £571,453 (£508,273).

The United Kingdom was the chief supplier with £417,113 (£372,282), followed by Germany, £44,891 (£33,018); Norway, £33,475 (£27,790); Sweden, £26,927 (£37,537); and Canada, £13,698 (£9,936). Japan, Finland, Austria, Czechoslovakia, and the United States all shipped substantial quantities under this heading.

Printing Paper N.E.I.—Total, £4,078 (£2,604).

The United Kingdom was the principal supplier with £3,555 (£600); Canada, £277 (£381), and other foreign countries supplied the balance.

Roofing and Sheathing Felt and Paper.—Total, £1,722 (£5,336).

Under this heading the main countries of supply all showed decreases: United States, £619 (£2,297); United Kingdom, £472 (£911); and Canada, £228 (£1,809). Sweden, the other supplier, increased her share to £403 (£319).

Stencil Carbon and Similarly Prepared Copying Papers—Carbon.—Total, £23,736 (£29,526).

The United Kingdom with £17,852 (£24,079), the United States with £4,887 (£4,323), and Canada with £838 (£751) shared this trade.

Surface Coated Paper, N.E.I., Plain or Embossed, also Marble and Foil Paper.—Total, £54,154 (£49,959).

Canada is shown as entering this trade with shipments to the value of £201. The United Kingdom was the principal supplier with £17,859 (£9,929), followed by Germany, £13,282 (£10,218); Belgium, £11,973 (£14,228); the United States, £9,090 (£13,304); and Sweden, £875 (£821).

Tissue and Tissue Cap Paper, and Paper for Paper Patterns in Sheets and Rolls (Not to Exceed 9 lbs. for 480 Sheets, 20 by 30 Inches).—Total, £103,849 (£117,893).

The two principal countries of supply were Sweden with £38,876 (£50,435) and Norway, £26,082 (£10,148); followed by France, £9,334 (£17,556); United Kingdom, £5,874 (£4,769); Germany, £5,409 (£5,199); Czechoslovakia, £5,386 (£3,444); and Canada, £3,035 (£9,106).

Wrapping Papers: (a) Kraft.—Total, £2,834 (£4,164).

Although Canada participated in this trade in the previous year with shipments to the value of £875, no imports were recorded for the year under review, the bulk of the supplies coming from Sweden, £2,223 (£2,360).

(b) Mill-glazed Sulphites.—Total, £26,892 (£26,789).

Sweden was the principal supplier with £11,930 (£10,067), Canada ranking second with £5,537 (£8,429). Other participants were Norway, £5,350 (£3,077); United States, £1,286 (£2,395); Finland, £1,149 (£183); United Kingdom and Germany.

(c) Glazed Sulphites.—Total, £16,210 (£5,034).

Canada was the leading supplier with increased figures of £7,003 (£1,896), other shipments coming from Sweden, £5,810 (£1,399); United Kingdom, £1,248 (£641); Norway, £976 (£293); Czechoslovakia, £543 (£20); and the United States, £20 (£324).

(d) Transparent Cellulose.—Total, £42,440 (£27,817).

Canada entered this trade with shipments to the value of £1,177, the United Kingdom being the chief source of supply with £18,817 (£7,844), followed by Japan, £13,367 (£12,507); France, £4,376 (£3,617); the United States, £3,481 (£1,640); and Germany, £950 (£1,425).

(c) *Greaseproof Wrapping and Imitations Thereof (not previously recorded separately).—*Total, £108,118.

Canada is shown with the small amount of £47, Sweden obtaining the bulk of this trade with £56,623, followed by Germany, £21,826; and Norway, £18,754.

(f) *Caps, Casings, Sealings, Candle Carton, and Wrapping, N.E.I.—*Total, £53,093 (£148,380).

A marked decrease was shown in the value of imports from Canada, £112 only being recorded as against £6,685 in the previous year. The only country to show an increase was the United States with £17,797 (£12,167). Other noticeable decreases were: Sweden, £16,665 (£59,760); United Kingdom, £7,944 (£12,584); and Germany, £3,780 (£26,098).

*Writing and Typewriting Paper (Plain), not including Duplicating.—*Total, £505,814 (£497,042).

A number of countries shared this market, the chief suppliers being the United Kingdom, £309,630 (£295,891); Norway, £79,126 (£95,259); and Canada, £39,367 (£41,935).

*Paper N.E.I.—*Total, £74,986 (£67,098).

Canada increased her share of this business to £910 (£126), the bulk of the market being supplied by the United Kingdom with £41,345 (£40,029), followed by Germany, £9,007 (£6,358); the United States, £8,874 (£5,073); and Austria, £7,867 (£8,095).

STATIONERY AND PAPER MANUFACTURES

*Cards, Playing, in Sheet or Cut.—*Total, £8,619 (£8,658).

The United Kingdom was the leading supplier with £4,879 (£3,382), Canada ranking next with the increased amount of £3,322 (£2,207); the United States showed a decrease to £313 (£2,975).

*Cones, Tubes, Bobbins, Reels, Spools and Pirns of Paper, as Used in the Spinning and Weaving Industries.—*Total, £3,335 (£2,155).

Canada showed a marked increase under this heading to £1,853 (£784) and shared the bulk of the business with the United Kingdom, £1,192 (£1,213).

*Price Lists, Catalogues, Circulars, Prospectuses, etc.—*Total, £74,145 (£73,559).

The leading suppliers were the United Kingdom with £42,494 (£40,601) and the United States with £18,874 (£21,935), followed by Germany with £3,293 (£2,474) and Canada with £2,313 (£1,485).

*Paper Manufactures N.E.I.: Paper Parasols, Paper in Rolls or Reels Less than 6 Inches Wide, etc.—*Total, £81,026 (£75,828).

Imports under this heading from Canada showed a slight decrease to £2,356 (£3,644), the majority of the supplies coming from the United Kingdom, £53,300 (£44,863), and the United States, £10,166 (£10,393). Sweden, Japan, Germany, and Austria also shipped substantial quantities.

*Paperhangings and Wallpapers.—*Total, £79,563 (£76,696).

A marked increase was shown in the imports from Canada valued at £19,353 (£14,577). The principal supplier was the United Kingdom with £55,306 (£57,947), while shipments were also received from the United States, £3,342 (£2,427), Germany, and Belgium.

*Fountain Pens, Pencils N.E.I., and Pens N.E.I. without Holders.—*Total, £82,839 (£85,719).

The United Kingdom was the principal supplier with £67,834 (£66,676), followed by the United States, £6,852 (£10,315); Canada, £5,325 (£4,857); Japan, £1,845 (£2,921); and Germany, £976 (£926).

*Fancy Pencils, Pencil Cases, Partly or Wholly of Gold, Silver, Aluminium, or Nickel; Pen and Pencil Sets and Penholders N.E.I.—*Total, £23,171 (£24,830).

This market was shared by the following countries: United Kingdom, £15,096 (£15,460); United States, £3,288 (£4,526); Japan, £2,525 (£2,448); Germany, £1,795 (£1,937); and Canada, £423 (£425).

MARKET FOR APPLES IN HONGKONG

V. E. DUCLOS, CANADIAN TRADE COMMISSIONER

Hongkong, June 27, 1938.—There are no separate statistics available covering the importation of fresh apples into Hongkong, the figures being recorded under the heading "fruit, all kinds." On this account, it is impossible to give anything but an estimate of the annual volume of this trade, which, from investigations among the leading importers of this commodity, can be placed at from 40,000 to 50,000 cases valued at from Can.\$85,000 to Can.\$110,000.

SOURCES OF SUPPLY

During the past twelve months it may be safely assumed that approximately 90 per cent of this trade has been controlled by United States shippers.

Canadian shipments have been small and irregular, while business with North China and Manchukuo, which prior to the commencement of hostilities between China and Japan had been an important factor in the market, has been severely curtailed. Australian growers have also shipped to this market, but in only limited quantities owing to high freights and infrequency of steamer services.

IMPORTS FROM CANADA

The volume of business done in Canadian apples to Hongkong has never been large, owing to the advantage in prices enjoyed by the United States product. Invariably Canadian quotations have been 10 to 15 cents per case above those of the United States suppliers, whose brands are long established and well known in the Hongkong market. Provided Canadian shippers are in a position to quote competitively to this market throughout the season, there are good prospects of creating a regular demand for Canadian apples.

MARKET DEVELOPMENTS

Over the period of the last few years the market in Hongkong for apples, and in fact for all types of imported fruits, has gradually developed to a point where the demand, which was previously confined to the requirements of Europeans and wealthier Chinese, has been extended to include the middle classes, who are now regular purchasers of fresh imported fruits. It is interesting to observe that nowadays the fruit "hawker," or door-to-door seller, includes a great proportion of imported fruits in his stock-in-trade, whereas it has been customary for these vendors to confine their activities to the sale of cheap native fruits.

Although sales of apples ex stock are occasionally made to Singapore, Bangkok, and to the South China coast ports, the bulk of imports into Hongkong are for local consumption.

METHODS OF SALE

There are only a few foreign and Chinese importers in Hongkong engaged in the direct purchase of apples from overseas exporters. It is customary for them to receive regular price quotations from their principals by cable, which are subsequently broadcast by brokers in their employ to the market dealers and other retailers, who indent on the basis thereof for future deliveries. In this way importers are able to regulate their supplies to the requirements of the market.

GRADES, VARIETIES, AND SIZES IN DEMAND

The bulk of sales to this market is of the Extra Fancy grade. There has always been a demand in Hongkong for Yellow Newtons in counts of 125/120's and 138/163's, but recently this has shown a slight falling off owing to the popularity of a red apple.

Winesaps in counts of 150/198's and 175/216's were formerly the most popular red apple, but during the last year or so the preference has turned to Delicious in counts of 80/100's and 100/125's. McIntoshes are not in great demand, owing to their susceptibility to bruising in transit. One local importer is of the opinion that if it were possible to pack McIntoshes in counts of 100/-125's in cases with corrugated paper divisions, similar to those used in the packing of eggs, to obviate the possibility of damage in transit, increased business in this variety might result.

STOWAGE

Yellow Newtons may be carried in ordinary ventilated space up to the end of February, after which shipments must be made in refrigerated space.

Winesaps must be shipped in refrigerated space after the end of March, while Delicious and McIntoshes must always come forward in refrigerated storage.

Canadian firms interested in entering the Hongkong market are invited to communicate with the Canadian Trade Commissioner, Hongkong, forwarding particulars concerning their offerings, together with specimen brands and other related data. However, it must be pointed out that the securing of business will be solely contingent upon their ability to enter into active competition with United States suppliers.

EXCHANGE SITUATION IN MEXICO: EFFECTS ON CREDIT

R. T. YOUNG, CANADIAN TRADE COMMISSIONER

Mexico City, July 8, 1938.—Since March 19, when the Bank of Mexico—which up to that date had an official monopoly of foreign exchange transactions—suspended operations in exchange, many queries have been received from Canadian exporters whose remittances to cover drafts on Mexican customers were not honoured as to how they should proceed to obtain payment. An effort is made hereunder to clarify the situation.

FACTORS CONTRIBUTING TO PRESENT SITUATION

The expropriation of Mexican oil properties and the concurrent decline in the value of the peso were a contributory but not the primary causes of the present exchange situation. For a considerable period the Mexican peso had been pegged at 3.60 pesos to the United States dollar, other currencies being quoted on that basis. These rates having been in effect over a long period, they had come to be considered stable, particularly by importers, with the result that they accepted, and exporters granted, long-term drafts and sold their merchandise at prices marked up from costs based upon these rates of exchange.

In many cases the merchandise was sold long before the drafts fell due. Undoubtedly the importers in turn sold largely on credit and were not reimbursed until long after they had to remit payment to their overseas suppliers. It is doubtful, however, if 1 per cent of them took the precaution of discounting their customers' paper and buying foreign exchange in advance to cover their foreign commitments, since they had come to regard the exchange rates as fixed and also because of the fact that, if they did discount customers' paper, the proceeds would be invariably used to make an extra profit in financing further purchases rather than in meeting the bills coming due.

On the other hand, exporters to Mexico, as well as to other countries, must bear in mind when granting credit that the importer has to pay customs duties and meet other expenses in cash on receipt of merchandise, which in many cases amount to 50 per cent or even more of the cost, so that a cash reserve must be maintained, according to the size of the business, to take care of these expenditures.

EFFECT OF EXPROPRIATION ON EXCHANGE SITUATION

With the expropriation of the petroleum interests, the Bank of Mexico suddenly announced the suspension of all dealings in foreign exchange until further notice. As a result, no foreign exchange was available at any of the private banks whereby debtors might obtain funds to cover foreign drafts falling due.

As this situation continued, the private banks gradually began to deal in foreign currencies at rates fixed by themselves and based solely upon supply and demand, with consequent violent fluctuation. As the foreign currencies available have been considerably less than sufficient to meet the country's normal requirements, the value of the Mexican peso has continued to decline, and at this date stands at about 4.90 pesos to the United States dollar as against the former rate of 3.60, and 24.62 pesos to the pound sterling as against 18 pesos.

Importers who had purchased and calculated their costs on the basis of 3.60 pesos to the United States dollar and had sold a portion of their goods were faced with the prospect of heavy losses, since they would have to pay their principals up to 30 per cent more in Mexican money than they had anticipated. Any improvement in this situation depends upon the re-entry of the Bank of Mexico into the foreign exchange field, or some other expedient which will result in stabilizing the peso.

BUSINESS CONDITIONS

Even the most solvent firms have deferred payments in the hope of some stabilizing influence presenting itself, as it will be realized that in a situation where goods were ordered against sight draft, with large stocks of similar goods imported at the former rates in the hands of competitors who could not arbitrarily raise prices, the drawees have naturally been reluctant to pay what they considered unwarranted prices for exchange to private banks.

This is the situation at present, but with the gradual and slow liquidation of old stocks and the also gradual and slow raising of wholesale and retail prices of the new ones to cover costs at the new rates, the more responsible business houses realize the desirability of meeting their bills in order not to jeopardize their future credit. Neither do they consider it advisable to ask for further extensions, because there is no assurance that the Mexican peso will improve; it might go lower. Further, as it is manifestly impossible for importers to sell for immediate cash and to convert the required amount of the proceeds into foreign currency at the time of the sale to cover the draft for purchase of the merchandise, it would appear that the more responsible import firms, so long as the present situation lasts, will confine their purchases abroad to a cash basis until a fixed rate of exchange is in effect.

MEXICAN NATIONAL BANK OF FOREIGN COMMERCE

R. T. YOUNG, CANADIAN TRADE COMMISSIONER

Mexico City, July 20, 1938.—The Banco Nacional de Comercio Exterior, S.A., which officially began operations on July 3, 1937, was organized to finance and arrange commercial transactions between Mexico and foreign countries. Its particular interest in this broad field is to assist the small and medium-sized producers who would ordinarily be handicapped in finding foreign markets for their products. The assistance offered is of a direct nature tending to eliminate the middleman. The smaller producers are not always in the position to obtain all the commercial and banking advantages needed, and because of this, the bank encourages them to organize into co-operative groups, preferably on a basis of areas and products. Co-operative groups rather than individuals make it much more practicable and easier for the bank to consolidate shipments of like products and eliminate several different financial transactions with a similarly enlarged extension of credit. The bank also assists the Ministry of Agriculture in its efforts to have the small farmers unite in co-operative societies.

FUNCTIONS OF THE BANK

The increase in Mexican import duties in January, 1938, together with the fall in the exchange value of the peso since March of this year, has tended to render imports of less importance, while at the same time the inexperienced exporter in Mexico, as in other countries, is unfamiliar with the generally well-defined standards and specifications covering the world export market. The bank, therefore, becomes of much the same importance to the Mexican exporter as the Commercial Intelligence Service of the Department of Trade and Commerce of Canada is to the Canadian manufacturer and exporter, in that it furnishes advice regarding the best export seasons, sales, markets, quotations, classification of products, packing, and routes and costs of transportation. In other words, the bank is at the disposal of those interested in exporting and furnishes them with necessary information and services.

No charges are made for these services and a fully qualified technical department is entrusted with this important part of its work. As the extractive industries of Mexico are not greatly in need of this type of assistance, and such other industries as do exist in this country do not produce sufficient to export, the prime interest of the country naturally resolves itself into that concerning agricultural exports. In view of this situation it is therefore one of the prime concerns of the bank that organizations which it has financed fulfil strictly the specifications called for and carry out the arrangements previously made with foreign buyers.

Operations to date of the Banco Nacional de Comercio Exterior have been largely experimental. Outside of having assisted the banana, henequen, and chick peas industry in making some shipments, nothing definite has been accomplished on behalf of exporters, but there is considerable optimism with regard to its future.

BRAZILIAN MARKET CONDITIONS FOR CODFISH

L. S. GLASS, CANADIAN TRADE COMMISSIONER

(One milreis equals 5·7 cents Canadian at current rate of exchange; one kilo equals 2·2 pounds)

Rio de Janeiro, July 2, 1938.—Recent changes in duties and taxes levied on imports of fish and fish products have brought about changed conditions in the Brazilian market for dried codfish. The new taxes are: 3 per cent on c.i.f. value of the shipments; a specific tax of 0·3 milreis per kilogram, gross weight, and a consumption tax of 0·2 milreis per kilogram, gross weight.

METHODS OF PACKING

These taxes, particularly those on the weight basis, have placed a premium on codfish packed in cases. As a result, there has been an increasing tendency on the part of shippers to use bales containing the same net weight of fish as the cases—that is to say, 58 kilos per bale and 29 kilos per half-bale.

Two methods of packaging have proved quite suitable, particularly for well-dried fish. The first is to stack the fish, which are tied at each end with cord to hold them firm. This bundle is then wrapped in a light-weight white corrugated paper, either waxed or unwaxed, and finally in hessian cloth, the latter wrapping being closely and well sewn. The second method differs from the first only in that a latex impregnated hessian cloth is used, with or without the inner wrapping of corrugated paper. One name by which this hessian cloth is known is "Latexit." In both cases the packages should be bound with metal strapping at each end.

Some shippers have been merely bundling the fish and placing it in hessian or jute bags. This method has been most unsatisfactory, since the pack is too loose, and the fish are shaken up and become broken or badly rubbed.

IMPORTS

Codfish imports showed a considerable falling off, both in value and amount, during the first quarter of the current year. Value decreased from 16,871 contos (1,000 milreis) or \$1,030,000 in the 1937 period to 13,876 contos or \$791,000 in the corresponding quarter of 1938, while the volume fell from 7,471 tons to 5,158 tons, a decrease of 30 per cent.

Recent prices for imported fish reflect the advantage of using the bale package in that it is not as expensive as the cases and barrels. There is some variation in the difference in price as between baled and boxed fish, but in general the quotation per whole bale is approximately 2s. less than per whole case. Current prices of codfish on the São Paulo market are: 18 to 20 tails, 47s. 6d. a case and 45s. 6d. a bale; 40 tails, 42s. a case and 40s. a bale; 45 tails, 41s. a case and 39s. a bale. English saithe has been quoted at 32s. to 33s. a case and 30s. 6d. a bale.

On the Rio de Janeiro market prices of codfish have been 41s. 6d. a case and 39s. 6d. a bale, while saithe has been quoted at 17s. 6d. a half-case and 16s. 6d. a half-bale.

Recently importers of Newfoundland fish in Northern Brazil have been shipping to the southern markets, selling in as small lots at 25 half-barrels at 105 milreis per half-barrel, duty paid and c.i.f. This works out at about 25s. per barrel.

MARKET CONDITIONS FOR VEGETABLE OIL IN CHILE

S. G. MACDONALD, ACTING CANADIAN TRADE COMMISSIONER

(One Chilean peso equals \$0.05 Canadian approximately)

Lima, July 2, 1938.—Although there appears to be a growing domestic production in Chile of certain oleaginous products such as hemp and marigold seeds and olives, almost the entire consumption of vegetable oil must of necessity be imported.

PRODUCTION AND CONSUMPTION

The cultivation of hemp has been given considerable impetus during recent years, due to the high prices obtaining for the fibre. However, the exports of hemp seed have not appreciated in the same ratio although during 1934 and 1935 the highest levels for a number of years past were reached with 1,630 metric tons (of 2,204 pounds) and 1,241 metric tons respectively. In 1936 the export total fell away sharply to 640 metric tons.

While the cultivation of the marigold seed is stated to be on the increase (no statistics are yet available), there is not as yet an export surplus. Estimates indicate that from one farm alone some 500 tons are now being obtained, and that a number of farmers, encouraged by the success achieved in Argentina, where the crop increased from 1,523 tons in 1930 to 46,045 tons in 1936, are beginning to sow considerable areas to this crop.

Another interesting development in the field of vegetable oil production in Chile is in connection with the planting of olive trees. According to the last census, there were some 39,478 trees producing about 118 tons of oil. On the basis of present tree increases, it is estimated that within a few years more than 350 tons of olive oil will be available annually.

Estimates of the Chilean Department of Foreign Affairs indicate a domestic consumption in 1936 of 187 tons of hemp seed oil, 95 tons of olive oil, and

8,330 tons of vegetable oils imported as a finished product or as oleaginous products which are subsequently rendered into oils in Chile. This consumption, totalling 8,613 tons, represents 1.91 kilos (of 2.2 pounds) per capita in the republic.

IMPORTS AND EXPORTS

Imports into Chile of vegetable oils and oleaginous materials show a general increase in volume, although a reduction in price, over the past several years as the following statistics indicate:—

	Gross Tons	Gold Pesos of 6d.
1930	15,548	9,391,048
1931	13,609	15,176,461
1932	20,301	7,662,855
1933	17,322	3,660,726
1934	35,128	5,988,913
1935	18,236	4,577,775
1936	35,139	5,612,899

In addition to the vegetable oils and oleaginous materials included in the above statistics, imports of cotton seed have for a number of years been of considerable importance, being often equivalent to about 90 per cent of the imports of vegetable oils and oleaginous materials. These imports, which amounted to 4,011 tons in 1930, increased importantly two years later to 15,125 tons, remaining fairly steady at about that total until 1935 when more than a 100 per cent advance is recorded. In 1936, the total of 32,996 tons was a slight advance over the 32,431 tons imported during the previous year. Throughout the period 1930-1936, with the exception of 1931 when a slight drop was experienced, there has been a steady advance in price from peso 0.22 per gross kilo in 1930 to peso 0.61 in 1936. In the following year c.i.f. Valparaiso prices averaged approximately peso 0.92 per gross kilo.

Exports of vegetable oils and oleaginous materials, as indicated by production volume, do not reach important figures. In 1936, for hemp seed they amounted to but 640 tons (a reduction of almost 50 per cent from those of the previous year), and for olive oil but 1,005 quintals (of 220 pounds).

PRODUCTIVE CAPACITY OF NATIONAL FACTORIES

There are seven principal factories in Chile engaged in the extraction of vegetable oils, with a total annual capacity of 16,775,000 kilos of oil. The largest, Cía. Industrial and Grace and Cía., extract oil by pressure, although the first-named employs the benzene method in another factory. While the Chilean factories are still unable to operate to full capacity, as the domestic production of oleaginous materials, coupled with imports, does not exceed much over 50 per cent of that capacity, it is evident that further expansion is unnecessary for some time to come. However, the interest being taken by growers in marigold seed in the province of Nuble presupposes that within a few years Chile will be in a position to supply most of her vegetable oil requirements.

BELGIAN LICENCE TAXES

Mr. Maurice Bélanger, Assistant Trade Commissioner in Brussels, writes under date July 22 that, effective from July 21, a Belgian decree established three new licence taxes on wheat products in addition to the tax on wheat which was reported in *Commercial Intelligence Journal* No. 1800 (July 30, 1938), page 185.

These new taxes are as follows: malted wheat and wheat flakes, roasted or not, 13.30 francs per 100 kilos (approximately 20½ cents per 100 pounds); wheat flour other than for animal feed, groats and semolina of wheat, 14 francs per 100 kilos (approximately 21½ cents per 100 pounds); malted wheat flour, 19 francs per 100 kilos (approximately 29 cents per 100 pounds).

FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING AUG. 1, 1938

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, August 1, 1938, and for the week ending Monday, July 25, 1938, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending July 25	Nominal Quotations in Montreal Week ending August 1	Official Bank Rate
Austria	Schilling	.1407			—
Belgium	Belga	.1001	\$.1694	\$.1695	3
Bulgaria	Lev	.0072	.0124	.0123	6
Czechoslovakia	Koruna	.0296	.0346	.0346	3
Denmark	Krone	.2680	.2202	.2200	4
Finland	Markka	.0252	.0218	.0218	4
France	Franc	.0392	.0277	.0277	2½
Germany	Reichsmark	.2382	.4028	.4028	4
Great Britain	Pound	4.8666	4.9338	4.9288	2
Greece	Drachma	.0130	.0090	.0090	6
Holland	Guilder	.4020	.5510	.5500	2
Hungary	Pengo	.1749	.2977	.2978	4
		Unofficial	.1972	.1972	—
Italy	Lira	.0526	.0527	.0527	4½
Yugoslavia	Dinar	.0176	.0233	.0233	5
Norway	Krone	.2680	.2479	.2477	1½
Poland	Zloty	.1122	.1888	.1888	4½
Portugal	Escudo	.0442	.0445	.0445	4-4½
Roumania	Leu	.0060	.0073	.0073	3½
Spain	Peseta	.1930	.0561	.0577	5
Sweden	Krona	.2680	.2543	.2541	2½
Switzerland	Franc	.1930	.2296	.2297	1½
United States	Dollar	1.0000	1.0025	1.0028	1
Mexico	Peso	.4985	.2025	.1991	3
Cuba	Peso	1.0000	1.0018	1.0021	—
Guadeloupe	Franc	.0392	.0277	.0277	—
Jamaica	Pound	4.8666	4.9438	4.9388	—
Martinique	Franc	.0392	.0277	.0277	—
Other British West Indies	Dollar	1.0138	1.0279	1.0268	—
Argentina	Peso (Paper)	.4245	.3289	.3286	3½
		Unofficial	.2602	.2607	—
Brazil	Milreis (Paper)	.1193	.0586	.0587	—
British Guiana	Dollar	1.0138	1.0279	1.0268	—
Chile	Peso	.1217	.0518	.0518	3-4½
		Unofficial	.0401	.0401	—
Colombia	Peso	.9733	.5640	.5634	4
Peru	Sol	.2800	.2256	.2206	6
Venezuela	Bolivar	.1930	.3158	.3109	—
Uruguay	Peso	1.0342	.6491	.6497	—
South Africa	Pound	4.8666	4.9277	4.9227	3½
Egypt	Pound (100 Piastres)	4.9431	5.0626	5.0542	—
China (Shanghai)	Dollar		.1841	.1638	—
Hongkong	Dollar		.3083	.3081	—
India	Rupee	.3650	.3685	.3684	3
Japan	Yen	.4985	.2875	.2873	3.29
Java	Guilder	.4020	.5509	.5500	—
Siam	Baht (Tical)	.4424	.4521	.4523	—
Straits Settlements	Dollar	.5678	.5747	.5752	—
Australia	Pound	4.8666	3.9470	3.9431	3
New Zealand	Pound	4.8666	3.9781	3.9740	2

The Dominion Bureau of Statistics has supplied the following note:—

Foreign exchanges were without feature during the final week of July. Sterling drifted gradually lower to \$4.9288 on the 30th but had lost little more than one cent in the preceding fortnight. The premium on New York funds stiffened fractionally, after dropping to ¼ of 1 per cent, and closed at ⅓. This compared with a peak of 1½ per cent during the first week of June. French francs followed the softer tone in sterling to close the month at 2.768 cents.

TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

Secretary, Board of Trade—

Saint John, N.B.
Halifax, N.S.
Quebec, P.Q.
Montreal, P.Q.
Toronto, Ont.
Chatham, Ont.

Brantford, Ont.
Kitchener, Ont.
Stratford, Ont.
Woodstock, Ont.
St. Mary's, Ont.
Portage la Prairie, Man.

St. Boniface, Man.
Winnipeg, Man.
Vancouver, B.C.
New Westminster, B.C.

Secretary, Chamber of Commerce—

Sherbrooke, P.Q.
Kingston, Ont.
Oshawa, Ont.
Belleville, Ont.

Peterborough, Ont.
London, Ont.
St. Catharines, Ont.
Hamilton, Ont.

Victoria, B.C.
Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

Secretary, Canadian Manufacturers Association—

Toronto, Ont.
Montreal, P.Q.

Winnipeg, Man.
Edmonton, Alta.

Vancouver, B.C.
Victoria, B.C.

Director, Trade Extension, Victoria, B.C.

Commodity	No.	Location of Inquirer	Purchase or Agency
Foodstuffs and Feedstuffs—			
Fresh Fruit (Apples and Pears)...	433	Dublin, Ireland.....	Agency.
Canned Asparagus.....	434	Melbourne, Australia.....	Agency.
Cheddar Cheese.....	435	Singapore, Straits Settlements.....	Purchase and Agency.
Frozen Poultry.....	436	Auckland, New Zealand...	Purchase or Agency.
Pollard and Bran.....	437	Valletta, Malta.....	Purchase and Agency.
Miscellaneous—			
Silk Hosiery.....	438	Leicester, England.....	Agency.
Ladies' Rubber Capes.....	439	Dublin, Ireland.....	Agency.
Printed Dress Materials, Sheer..	440	Melbourne, Australia.....	Agency.
Ladies' Handbags (Leather and Artificial Leather).....	441	Dublin, Ireland.....	Agency.
Leathers, Upper, Glace Kid, etc..	442	Leicester, England.....	Agency.
Papers (Writing, Printing, Bank, Bond, Coated and Blotting)...	443	Dublin, Ireland.....	Purchase.
Mirrors for Bedroom Suites.....	444	Dublin, Ireland.....	Purchase.
Wooden Boxes for Omnibus Batteries.....	445	Dublin, Ireland.....	Purchase.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Montreal

To Liverpool.—Duchess of Bedford, Aug. 10 and Sept. 4; Montrose, Aug. 16; Duchess of York, Aug. 21; Duchess of Atholl, Aug. 26; Duchess of Richmond, Sept. 10—all Canadian Pacific; Andania, Aug. 12 and Sept. 9; Antonia, Aug. 26—both Cunard-White Star Line.

To London.—Beaverford, Aug. 12; Beaverbrae, Aug. 19; Beaverhill, Aug. 26; Beaverburn, Sept. 2; Beavertale, Sept. 9—all Canadian Pacific; Alaunia, Aug. 12; Aurania, Aug.

19; Ascania, Aug. 26; Ausonia, Sept. 2—all Cunard-White Star Line; Carmelfjell, Aug. 10; Tindefjell, Aug. 24; Ravnefjell, Sept. 7—all Fjell Line.

To Manchester.—Manchester Division, Aug. 11; Manchester Port, Aug. 18; Manchester Commerce, Aug. 25; Manchester City, Sept. 1; Manchester Citizen, Sept. 8; Manchester Regiment, Sept. 15—all Manchester Line.

To Southampton.—Duchess of Richmond, Aug. 24; Montrose, Sept. 8—both Canadian Pacific.

To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.—New York City, Aug. 22; Boston City, Sept. 9—both Bristol City and Dominion Lines; Dakotian, Aug. 12; Norwegian, Aug. 31; Dorelian, Sept. 17—all Cunard-Donaldson and Dominion Lines.

To Glasgow.—Sulairia, Aug. 12; Athenia, Aug. 19; Delilian, Aug. 26; Letitia, Sept. 4—all Donaldson-Atlantic Line.

To Newcastle and Leith.—Cairnesk, Aug. 10; Cairnmona (also calls at Dundee), Aug. 17; Cairnross, Aug. 24; Cairnvalona, Aug. 31; Cairnglen, Sept. 7—all Cairn-Thomson Line.

To Aberdeen and Hull.—Bassano, Aug. 19; Consuelo, Sept. 2—both Ellerman's Wilson Line.

To Dublin and Belfast.—Fanad Head, Aug. 11; Kenbane Head, Aug. 13; Dunaff Head, Aug. 21—all Head Line (cargo accepted for Cork and Londonderry).

To Hamburg and Bremen.—Beaverburn, Sept. 2; Beaverhill, Sept. 30—both Canadian Pacific (do not call at Bremen); Koenigsberg, Hamburg-American Line, Aug. 26.

To Copenhagen, Gothenburg, Stockholm and Helsingfors.—Lagaholm, Swedish-America-Mexico Line, Aug. 26.

To Norwegian Ports.—Svanefjell, Fjell Line, Aug. 27.

To Antwerp and Havre.—Beaverford, Aug. 12; Beaverbrae, Aug. 19; Beaverhill, Aug. 26; Montrose, Sept. 8; Beaverdale, Sept. 9—all Canadian Pacific (do not call at Havre); Brant County, Aug. 7; August, Aug. 28; Hada County, Sept. 18—all County Line; Carmelfjell, Aug. 10; Tindefjell, Aug. 24; Ravnefjell, Sept. 7—all Fjell Line (do not call at Havre).

To Rotterdam.—Lista (also calls at Dunkirk), Aug. 7; Grey County, Aug. 21; Flint 2, Sept. 2—all County Line; Carmelfjell, Aug. 10; Tindefjell, Aug. 24; Ravnefjell, Sept. 7—all Fjell Line.

To Marseilles, Genoa, Leghorn, Naples, Messina, Palermo, Gibraltar and Lisbon.—Capo Noli, Aug. 8; Capo Lena, Aug. 27—both Capo Line (will also call at Cadiz and/or Seville and/or Casablanca if sufficient cargo offers).

To St. John's, Nfld.—Bencas, Aug. 11; Anna, Sept. 1—both Shaw SS. Co. Ltd. (also call at Harbour Grace, Bay Roberts, Carbonear and Port Union; will touch at Newfoundland south coast ports as cargo offerings warrant); Belle Isle, Newfoundland-Canada SS. Ltd., Aug. 12 and 26, Sept. 9 (also calls at St. Pierre-Miquelon).

To Cornerbrook, Nfld.—Gaspesia, Aug. 10 and 24; New Northland, Aug. 15 and 29—both Clarke SS. Co.

To Puerto Rico, Barbados, Trinidad and Demerara.—Colborne, Aug. 18; Cornwallis, Sept. 1; Chomedy, Sept. 15—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To Hamilton, Nassau, Kingston and Belize.—Cavelier (calls at Kingston only), Aug. 12; Lady Somers, Aug. 17; Cathcart, Aug. 26; Lady Rodney, Aug. 31—all Canadian National.

To Bermuda, St. Kitts, Antigua, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Maud, Aug. 12; Heroy, Aug. 26; Ary Lensen, Sept. 9—all Ocean Dominion SS. Corp. (call at Guadeloupe and Martinique if sufficient cargo offered).

To Santos and Buenos Aires.—Tercero, International Freighting Corp., about Sept. 3 (will also call at Rio de Janeiro if sufficient inducement warrants).

To Brisbane, Sydney, Melbourne and Adelaide.—Kaikoura, Montreal Australia New Zealand Line, Sept. 3 (will also call at Geelong).

To Auckland, Wellington, Lyttelton and Dunedin.—City of Glasgow, Montreal Australia New Zealand Line, Aug. 30.

To Cape Town, Port Elizabeth, East London and Durban.—Mattawin, Elder Dempster Lines Ltd., Aug. 27 (also calls at Freetown, Lourenco Marques and Beira).

To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Madras, Rangoon, Calcutta and Singapore.—City of Rangoon, Aug. 12; City of Perth, Aug. 26; a steamer, Sept. 11—all Canada-India Service.

From Quebec

To Southampton.—Empress of Britain, Aug. 13 and 27; Empress of Australia, Aug. 19 and Sept. 3—both Canadian Pacific.

From Halifax

To Liverpool.—Newfoundland, Aug. 16; Nova Scotia, Sept. 4—both Furness Line.

To St. John's, Nfld.—Fort Amherst, Aug. 8 and 22; Fort Townshend, Aug. 15 and 29—both Furness-Red Cross Line (also call at St. Pierre); Magnhild (also calls at St. Pierre

and Newfoundland outports), Newfoundland-Canada SS. Ltd., Aug. 8 and 22, Sept. 5; Newfoundland, Aug. 16; Nova Scotia, Sept. 4—both Furness Line; Portia, Newfoundland Rys. and SS. Co., Aug. 17 and 31.

To Kingston, Jamaica.—Cavelier, Aug. 15 and Sept. 12; Cathcart, Aug. 29—both Canadian National.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Hawkins, Aug. 11; Lady Drake, Aug. 25; Lady Nelson, Sept. 8—all Canadian National; Maud, Aug. 17; Heroy, Aug. 31; Ary Lensen, Sept. 14—all Ocean Dominion SS. Corp. (call at Guadeloupe and Martinique if sufficient cargo offered but not at Nevis or Montserrat).

To Puerto Rico, Barbados, Trinidad and Demerara.—Chomedy, Aug. 8; Colborne, Aug. 22; Cornwallis, Sept. 5—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To Santiago (Cuba) and Kingston (Jamaica).—Lutz, Aug. 10 and Sept. 7; Kirsten B., Aug. 24—both Pickford & Black Ltd. (also call at Jamaican outports as cargo offers).

To Far East Ports.—Silverash, Aug. 7; Silverteak, Sept. 3—both Silver Line; Cingalese Prince, Furness-Prince Line, Aug. 21.

From Saint John

To Liverpool and Manchester.—Manchester Producer, Aug. 16; Manchester Brigade, Sept. 6—both Manchester Line.

To London, Newcastle, Aberdeen and Hull.—Kyno, Aug. 12; Kelso, Sept. 9—both Ellerman's Wilson Line.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Drake, Aug. 17; Lady Nelson, Aug. 31; Lady Hawkins, Sept. 14—all Canadian National.

To Kingston and Jamaican Outports.—Crawford Ellis, Aug. 12 and 26; Harboe Jensen, Aug. 19 and Sept. 2—both United Fruit Co. (cargo accepted for Caribbean, Central and South American ports with transshipment at Kingston).

From Vancouver

To Yokohama, Kobe and Osaka.—Hikawa Maru, Aug. 13; Hiye Maru, Aug. 27; Heian Maru, Sept. 10—all Nippon Yusen Kaisha.

To Yokohama, Kobe, Shanghai, Hongkong and Manila.—Empress of Japan (calls Honolulu), Aug. 20; Empress of Asia (calls Nagasaki), Sept. 3; Empress of Canada (calls Honolulu), Sept. 17; Empress of Russia (calls Nagasaki), Oct. 1—all Canadian Pacific.

To Honolulu, Suva, Auckland and Sydney.—Niagara, Aug. 30; Aorangi, Sept. 27—both Canadian-Australasian Line.

To Manila, Iloilo, Cebu, Soerabaya, Samarang, Batavia, Colombo and Bombay.—Talissee (calls at Belawan Deli, also at Singapore and Port Swettenham if cargo offers), Aug. 22; Djambi (calls at Saigon, Singapore and Persian Gulf ports, also at Port Swettenham and Belawan Deli if cargo offers), Sept. 1—both Silver-Java Pacific Line.

To Papeete, Auckland, Wellington, Lyttelton, Dunedin, Melbourne and Sydney.—A steamer, Canadian-Australasian Line, September.

To Brisbane, Sydney, Melbourne and Adelaide.—Parrakoola, Aug. 15; Yngaren, Sept. 15—both Empire Shipping Co. Ltd.

To London, Plymouth, Hull and Swedish Ports.—Canada (calls at Hawaii), Aug. 14; San Francisco, Sept. 3; Axel Johnson, Sept. 23—all Johnson Line.

To London, Liverpool and Rotterdam.—Delftdyk (calls Glasgow), Aug. 20; Drechtdyk, Sept. 3; Lochavon (calls Glasgow), Sept. 17—all North Pacific Coast Line.

To Antwerp, Hamburg and Bremen.—Oakland, Aug. 11; Seattle, Aug. 28; Tacoma, Sept. 12—all Hamburg-American Line; Este, North German Lloyd Line, Sept. 2.

To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.—San Antonio, Aug. 16; San Pedro, Sept. 3; San Diego, Sept. 24—all Empire Shipping Co. Ltd.

To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.—Cellina, Aug. 12; Leme, Sept. 10—both Empire Shipping Co. Ltd.

To Port of Spain (Trinidad) and Bridgetown (Barbados).—Jumna, Canadian Transport Co., Aug. 15.

To Cape Town, Port Elizabeth, East London, Durban and Lourenco Marques.—Manoeran, Sept. 6; Silverwillow, Oct. 7—both Silver-Java Pacific Line (call at Beira and Calcutta, will also call at Colombo and Madras if sufficient cargo offers).

To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.—Hardanger, Aug. 25; Hoyanger, Sept. 26—both Empire Shipping Co. Ltd. (will call at West Coast ports if sufficient cargo offered).

Note.—Firms who desire information concerning ocean and mail services may have their names placed on the mailing list of the Post Office Weekly Bulletin by applying to the Post Office Department.

COMMERCIAL INTELLIGENCE SERVICE

L. D. WILGRESS, *Director*

CANADIAN GOVERNMENT TRADE COMMISSIONERS

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Sydney: L. M. COSGRAVE. Address for letters—P.O. Box No. 3952V. Office—City Mutual Life Building, Hunter and Bligh streets. (Territory includes Federal District of Canberra, New South Wales, Queensland, Northern Territory and Dependencies.) *Cable address, Canadian.*

Melbourne: FREDERICK PALMER. Address for letters—Box 196C, G.P.O. Office—Safe Deposit Office Building. (Territory includes States of Victoria, South Australia, Western Australia, and Tasmania.) *Cable address, Canadian.*

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YVES LAMONTAGNE, Shell Building, 60 Ravenstein Street, Brussels. *Cable address, Canadian.*

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PAUL SYKES. Address for letters—P.O. Box 2003, Calcutta. Office—23 Esplanade Mansions, Government Place East, Calcutta. (Territory includes Burma and Ceylon.) *Cable address, Canadian.*

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B. C. BUTLER, Union Building, Singapore, Straits Settlements. (Territory includes the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India.) *Cable address, Canadian.*

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JAMES CORMACK, 66 Upper O'Connell Street, Dublin, Ireland (*cable address, Canadian*); and 36 Victoria Square, Belfast, Northern Ireland.

CANADIAN GOVERNMENT TRADE COMMISSIONERS—*Con.*

Italy

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Japan

Tokyo: C. M. CROFT, Commercial Secretary. Address for letters—P.O. Box 18, Akasaka Post Office, Tokyo. Office—Canadian Legation, 16 Omotecho, 3-chome, Akasakaku, Tokyo. *Cable address, Canadian.*

Kobe: P. V. McLANE. Address for letters—P.O. Box 230, Kobe. Office—309 Crescent Building, 72 Kyomachi, Kobe. *Cable address, Canadian.*

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J. A. LANGLEY, Coolsingel 111b, Rotterdam. (Territory includes Switzerland.) *Cable address, Canadian.*

New Zealand

W. F. BULL. Address for letters—P.O. Box 33, Auckland. Office—Yorkshire House, Shortland Street, Auckland. (Territory includes Fiji and Western Samoa.) *Cable address, Canadian.*

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RICHARD GREW, Stortingsgaten 28, Oslo. (Territory includes Sweden, Denmark, and Finland.) *Cable address, Canadian.*

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Peru

M. J. VECHSLER. Address for letters—Casilla 1212, Lima. Office—Portal de Belén No. 166, Plaza San Martin, Lima. (Territory includes Bolivia, Ecuador, and Chile.) *Cable address, Canadian.*

South Africa

Cape Town: G. R. HEASMAN. Address for letters—P.O. Box 683. Office—Cleghorn & Harris Building, Adderley Street. (Territory includes Cape Province and Southwest Africa, Natal, Tanganyika, Kenya, Uganda, Mauritius, and Madagascar.) *Cable address, Cantracom.*

Johannesburg: J. L. MUTTER. Address for letters—P.O. Box 715. Office—Prudential Assurance Bldg., 92 Fox Street. (Territory includes Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland.) *Cable address, Cantracom.*

United Kingdom

London: FREDERIC HUDD, Chief Trade Commissioner in the United Kingdom, Canada House, Trafalgar Square, S.W.1. *Cable address, Sleighing, London.*

London: J. H. ENGLISH, Trade Commissioner, Canada House, Trafalgar Square, S.W.1. (Territory includes Home Counties, Southeastern Counties, and East Anglia.) *Cable address, Sleighing, London.*

London: W. B. GORNALL, Fruit Trade Commissioner, Aldine House, Bedford Street, Strand, W.C.2. *Cable address, Canfrucum.* (Territory—for fresh fruit only—includes United Kingdom, Norway, Denmark, Sweden, France, Holland, Belgium, and Germany.)

London: W. A. WILSON, Animal Products Trade Commissioner, Canada House, Trafalgar Square, S.W.1. *Cable address, Agrilson.*

Liverpool: H. R. POUSSETE, Martins Bank Building, Water Street. (Territory includes North of England, Lincolnshire, North Midlands, and North Wales.) *Cable address, Canadian.*

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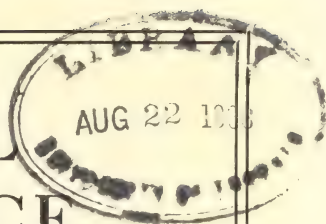
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Note.—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.

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COMMERCIAL INTELLIGENCE JOURNAL



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Ottawa, August 13, 1938

No. 1802



Typical 'Bus Side advertising Canadian Tomatoes in a London Street

ISSUED BY AUTHORITY OF
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE
JAMES G. PARMELEE, DEPUTY MINISTER

CONTENTS

	Page
Conditions in the United Kingdom:	
II. External Trade	225
Wheat and Flour Trade Regulation in the United Kingdom	232
Industrial Survey of South Africa	234
South African Market for Women's Shoes.....	235
New Zealand Wheat Situation	236
New Zealand Market for Electric Refrigerators.....	239
Australian Trade with Canada, 1936-37:	
V. Jewellery, Timepieces and Fancy Goods; Drugs, Chemicals and Fertilizers; Miscellaneous	241
Trade Commissioners on Tour	244
Market for Feedstuffs in France	244
Wheat and Flour Trade Regulation in Switzerland.....	248
Netherlands Oil Industry and Imports of Cake and Meal....	251
Foreign Trade of Yugoslavia in 1937.....	254
Japanese Grain Crop Estimate	256
Japanese Spring Cocoon Crop	256
Imports into the United States of Products under the Quota Provisions of the Trade Agreement	257
Tenders Invited: New Zealand	257
Tariff Changes and Customs Regulations	258
Foreign Exchange Quotations	259
Trade Inquiries for Canadian Products	260
Proposed Sailings from Canadian Ports	260
Commercial Intelligence Service	263

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Vol. LIX

Ottawa, August 13, 1938

No. 1802

CONDITIONS IN THE UNITED KINGDOM¹

FREDERIC HUDD, CHIEF CANADIAN TRADE COMMISSIONER IN THE
UNITED KINGDOM

II. External Trade

London, July 20, 1938.—The recession in world trade has, as might be expected, been reflected in the overseas trade of the United Kingdom during the first six months of 1938. There was, as compared with the corresponding period of 1937, a decline in importations of 2.9 per cent and in British exports of 7.1 per cent. The following summary shows the position:—

	Six Months ended June:		Decrease	
	£ 1938	£ 1937	£	Per Cent
Imports	469,617,648	484,100,792	14,483,144	2.9
Exports	233,193,516	251,214,245	18,020,729	7.1
Re-exports	32,848,053	40,553,348	7,705,295	19.0

These reductions are not of serious dimensions but are indicative of the general downward trend. Imports are expected to continue to fall during the next few months, due to the contraction in domestic consumption, while export business will be on a lower scale as the result of the reduced purchasing ability of Britain's overseas customers.

EXCESS OF IMPORTS

The surplus of imports over exports for the six months is £203,576,000. A year ago the figure was £192,333,000. There has been an increase, therefore, in the visible adverse balance of trade of £11,243,000 or 5.7 per cent. The returns for recent months have, however, shown a definite slackening of the rate of growth of the excess of imports, due to the fact that declining or rising imports exercise a much greater effect on the United Kingdom's balance of trade than similar movements in the export trade, which is relatively much smaller in value.

IMPORTS

The reduction in imports of £14,483,144, or 2.9 per cent, compared with a year ago is not disproportionate to the fall in prices which has occurred. The decline in quantities of goods imported, therefore, is less than appears at first sight. Rearmament activity will undoubtedly help to sustain the volume of imports during the next few years.

Arrivals of food, drink, and tobacco were heavier, their value, £211,054,768, being £11,236,261, or 5.5 per cent more than in the first half of 1937. Dairy produce, £39,809,150, advanced by £7,139,258, or 21 per cent; tobacco, £8,909,263, by £4,140,333, or 80 per cent; and meat, £45,604,459, by £3,455,937, or 8 per cent. Grain and flour, £39,858,601, fell by £3,175,577, or 7 per cent.

The sharpest drop took place in raw materials. Total imports under this heading were £133,287,894 as against £152,656,803 during January to June, 1937,

¹ The first section of this report was published in the *Commercial Intelligence Journal* No. 1800, July 30, 1938.

a decrease of 12 per cent. The significance of this is that it portends a deterioration in the future prospects of both domestic and export business. Among the different groups the heaviest reduction occurred in raw cotton, imports of which, at £16,125,883, contracted by 38 per cent. There were also noticeable reductions in wood and timber, hides and skins, and seeds and nuts. Upon the other hand, the value of iron ore and scrap at £7,873,393 showed an increase as compared with last year of more than 60 per cent, while imports of non-metalliferous ores and scrap remained practically unaltered.

There was also a diminution of approximately 6 per cent during the six months in importations of wholly manufactured goods, the value of which was £122,243,289. The reductions were fairly general throughout the various groups, the most important being in non-ferrous metals of 20 per cent and in leather and manufactures of 38 per cent. In opposition to the general tendency, imports of iron and steel and manufactures, £9,915,767, rose by 66 per cent.

EXPORTS

The shrinkage in world commerce affected British exports of fully manufactured goods more than any other classification. The half-year's exports of wholly manufactured commodities amounted to £183,520,422, a fall of £11,510,482, or 5.9 per cent. The textile industries suffered most severely. Cotton goods shipments decreased by 25 per cent, woollens by 23 per cent, and linens, etc., by 24 per cent. Offsetting these reductions there were isolated increases in machinery exports, which went up by 26 per cent, and vehicles, including ships and aircraft, which improved by 16 per cent. In the category of raw materials, exports of coal valued at £18,277,044, showed a satisfactory expansion of £1,630,405, but practically every other item fell in common with the general trend.

The following table summarizes the half-year's overseas trade, classified in accordance with the chief commodity groups:—

TABLE OF IMPORTS, EXPORTS, AND RE-EXPORTS, ACCORDING TO THE BOARD OF
TRADE CLASSIFICATION, DURING THE SIX MONTHS ENDED JUNE 30,
1937 AND 1938

(a) Imports

	Jan.-June, 1937	Jan.-June, 1938
Food, drink and tobacco	£199,818,507	£211,054,768
Raw materials and articles mainly unmanufactured ..	152,656,803	133,287,894
Articles wholly or mainly manufactured	128,949,639	122,243,289
Animals not for food	1,250,518	1,447,264
Parcel post	1,425,325	1,584,433
Total	£484,100,792	£469,617,648

(b) Exports of Produce and Manufactures of the United Kingdom

	Jan.-June, 1937	Jan.-June, 1938
Food, drink and tobacco	£ 18,171,360	£ 16,428,810
Raw materials and articles mainly unmanufactured ..	32,015,481	27,711,144
Articles wholly or mainly manufactured	195,030,924	183,520,442
Animals, not for food	342,956	278,281
Parcel post	5,653,524	5,254,839
Total	£251,214,245	£233,193,516

(c) Exports of Foreign and Colonial Merchandise

	Jan.-June, 1937	Jan.-June, 1938
Food, drink and tobacco	£ 6,248,947	£ 6,082,435
Raw materials and articles mainly unmanufactured ..	23,096,136	16,432,564
Articles wholly or mainly manufactured	10,969,317	9,949,253
Animals, not for food	238,948	383,801
Total	£ 40,553,348	£ 32,843,053

IMPORTS FROM CANADA

The trade returns for the six months also include particulars of the quantities and values of most of the principal articles of merchandise which the United Kingdom regularly purchases from abroad. Countries of supply are available in certain cases and the following notes give particulars of the main developments in those commodities in which Canada is chiefly concerned:—

Wheat.—The short crop in Canada severely cut the quantity of wheat available for the United Kingdom market. The amount landed from Canada in the six months was 8,686,303 cwts., compared with 17,861,965 cwts. in the same period in 1937 and 27,147,938 cwts. in 1936. Total imports of 47,371,889 cwts. were practically the same and the deficiency was filled mainly by the United States, which re-entered the market with 12,004,066 cwts. Soviet Russia contributed 2,265,371 cwts., as against nil last year, and Australia increased her quota from 10,889,604 cwts. to 18,245,975 cwts.

Barley.—Total deliveries of barley were 7,973,190 cwts., as against 7,066,035 cwts. in the 1937 half-year. Canada supplied 2,155,315 cwts., as compared with 63,460 cwts. last year.

Oats.—There was an increase in the receipts of Canadian oats, which is the predominant factor in this trade. Canada was credited with 545,553 cwts. out of a total of 627,515 cwts. this year, as against 467,715 cwts., out of 584,458 cwts. in 1937.

Flour.—Difficulties of competition, due to the wheat situation, caused a reduction of 321,424 cwts., or 15 per cent, in Canadian supplies of flour, which aggregated 1,668,991 cwts., total imports being 3,978,712 cwts. The only country which increased its consignments this year was the United States, which furnished 290,082 cwts., as against 36,834 cwts. in 1937.

Rolled Oats.—Receipts of rolled oats from Canada, which is practically the only contributor, rose by 30 per cent to 214,149 cwts.

Live Cattle.—A very marked expansion took place in Canada's sales of live cattle in this market, 19,248 head being received in the six months as compared with 2,671 head in the corresponding period last year. Entries from Eire decreased from 324,815 head to 260,751 head.

Bacon.—For the first time for several years arrivals of bacon from Canada showed a decline. For the first half of 1937 the quantity was 769,810 cwts., and this year 700,953 cwts. This coincided with a slight fall in total imports, which at the end of June amounted to 3,430,871 cwts. The trade is regulated in so far as foreign countries are concerned, so that there is little latitude for variation in sources of supply.

Hams.—Purchases from abroad of hams totalled 345,103 cwts., about the same as in the previous year. Canadian consignments were 123,967 cwts., or 25 per cent less than in 1937. The United States sent 202,469 cwts. in the January-to-June period, a rise of 28 per cent.

Cheese.—Landings of cheese amounted to 1,363,936 cwts., as compared with 1,315,180 cwts. Of the imports, 6·8 per cent were credited to Canada as against 5·6 per cent last year. A feature was the larger quantity coming from Australia, namely, 131,832 cwts. This exceeded Canada's trade by 38,625 cwts. New Zealand shipped 950,217 cwts., slightly less than the previous year.

Apples.—There was a rise of 28 per cent in imports of raw apples, which were recorded at 3,251,372 cwts. In the first six months of the year supplies from Australasia are the main factors and Australia and New Zealand accounted for nearly half of the total. Arrivals from Canada at 822,896 cwts. were 75 per cent more than last year.

Frozen Fish.—Practically the whole of Canada's contribution of frozen fish consists of salmon. The volume of trade this year diminished by 22 per cent to 38,284 cwts.

Canned Salmon.—The canned salmon trade declined substantially. Aggregate imports dropped by 40 per cent to 240,732 cwts., due principally to a reduction in consignments from Japan and the United States. At the same time the Dominion's share of the trade, namely, 64,656 cwts., fell by 14 per cent.

Canned Lobster.—Canada practically monopolized the canned lobster business and a very satisfactory expansion is evident during the six months. Deliveries from the Dominion were 7,843 cwts. as compared with 5,783 cwts. in 1937.

Canned Pears.—The only variety of canned fruit in which separate figures for Canada are shown is pears. The record shows that aggregate entries between January and June were 398,627 cwts., a small advance. The United States received the bulk of the orders, namely, 256,789 cwts., which was also a slight increase. Canada was credited with 43,242 cwts, a rise of 72 per cent. Concurrently there was a marked diminution in the quantity brought in from Australia.

Lard.—With the recovery in lard production in the United States, that country has recaptured the bulk of the market. Of the 815,366 cwts. imported, 654,549 cwts. came from that source, more than twice as much as in the first half of 1937. There was a heavy drop in deliveries from Canada: 90,083 cwts. as against 163,665 cwts. last year.

Leaf Tobacco.—The half-year has been noteworthy for a considerable increase in the importations of leaf tobacco. In the stripped classification the total imports, amounting to 33,398,966 pounds, were over double the 1937 figures, although entries from Canada (470,601 pounds) were down by 25 per cent. The quantity of unstripped leaf brought in was 91,847,035 pounds, a rise of 85 per cent. The Dominion furnished 13,475,348 pounds, twice the amount taken in the first six months of 1937.

Wood and Timber.—The reduction in the value of wood and timber purchased from abroad during the six months, and which is the result of the slackening in building activity, amounted to 15 per cent. In sawn hardwoods the quantity, amounting to 7,952 thousand cubic feet, represented a fall of about 30 per cent. In this category Canada supplied 2,356 thousand cubic feet, a drop of 10 per cent. A very similar situation developed in sawn softwoods, which is the most important section of the trade. Total imports declined by 27 per cent to 435,725 standards and Canadian consignments by 20 per cent to 126,540 standards.

Non-ferrous Metals and Manufactures.—The results in non-ferrous metals and manufactures were rather irregular. Upon the whole, quantities were well maintained but lower prices forced down total values. Canadian exporters made substantial advances in several lines. In aluminium ingots, etc., the Dominion shipped 302,930 cwts., 80 per cent more than in January to June, 1937. In electrolytic unwrought copper the increase in Canada's trade was 16 per cent, the quantity imported from the Dominion being 50,334 tons. In copper rods and sections, etc., the improvement amounted to 10 per cent. In all the above items Canada was the chief supplier. Unwrought nickel imports, almost wholly Canadian, advanced by 65 per cent to 214,629 cwts.

Rubber Footwear.—There was a smaller demand this winter for rubber footwear, and in rubber boots Canadian shipments, which constitute the bulk of the imports, shrank by 32 per cent to 44,968 dozen pairs. In the tennis shoe class total importations went up by 32 per cent to 567,049 dozen pairs, but Hongkong mainly benefited, as Canadian consignments of 109,488 dozen pairs increased by only 2 per cent.

Leather.—The leather import trade slumped severely and Canadian tanners took their share of the loss. Deliveries of Canadian box and willow calf were down to 1,679 cwts. from 3,419 cwts. in the first half of 1937, and of patent leather from 5,095 cwts. to 3,826 cwts.

Cardboard.—In spite of a fall of 18 per cent in the amount of cardboard brought in during the six months amounting to 1,268,276 cwts., there was a welcome increase of 44 per cent in receipts from Canada, which totalled 284,467 cwts. Up to the present this year, Sweden was the only country shipping a greater volume than Canada to the United Kingdom.

IMPORTS OF CERTAIN PRODUCTS, MAINLY AGRICULTURAL, INTO THE UNITED KINGDOM DURING THE SIX MONTHS ENDED JUNE 30, 1937 AND 1938

	1937		1938	
	Quantity Cwts.	Value £	Quantity Cwts.	Value £
Wheat:				
Total imports	47,875,002	24,553,792	47,371,889	21,318,983
Canada	17,861,965	10,014,835	8,686,303	4,621,637
Argentina	15,267,082	7,102,573	4,501,881	2,031,398
Australia	10,889,604	5,564,408	18,245,975	7,577,734
United States	10	5	12,004,066	5,398,237
Soviet Union .. . . .	.....	.....	2,265,371	982,619
Barley:				
Total imports	7,066,035	2,727,245	7,973,190	3,279,162
Canada	63,460	26,474	2,155,315	805,258
United States	527,759	274,242	1,189,062	573,101
Argentina	991,304	350,563	317,273	115,704
Soviet Union .. . . .	.....	.....	4,935	1,653
Oats:				
Total imports	584,458	229,917	627,515	240,484
Canada	467,715	183,950	545,553	210,348
Foreign countries	19,025	5,949	34,180	10,768
Wheat meal and flour:				
Total imports	4,536,927	2,823,674	3,978,712	2,366,327
Canada	1,990,415	1,385,910	1,668,991	1,154,859
Australia	1,813,370	1,074,753	1,749,894	919,725
United States	36,834	26,552	290,082	176,074
Oat products (including groats and rolled oats):				
Total imports	168,064	205,109	214,775	260,344
Canada	166,760	204,312	214,149	259,717
Foreign countries	745	553	486	536
Bacon:				
Total imports	3,506,510	14,170,473	3,430,871	15,298,797
Canada	769,810	2,946,546	700,953	3,009,122
Denmark	1,700,234	7,310,939	1,673,130	7,904,861
Poland	216,870	850,833	221,865	948,585
Netherlands	255,254	1,051,996	249,570	1,126,353
Sweden	130,826	535,833	129,104	585,223
Hams—				
Total imports	337,267	1,530,204	345,103	1,526,962
Canada	168,445	778,010	123,967	574,792
United States	145,215	659,402	202,469	878,131
Cattle:	Number		Number	
Total imports	327,486	2,977,518	279,999	3,429,153
Canada	2,671	48,662	19,248	367,128
Eire	324,815	2,928,856	260,751	3,062,025
Cheese:	Cwts.		Cwts.	
Total imports	1,315,180	3,841,958	1,363,936	4,449,580
New Zealand	980,299	2,875,720	950,217	3,140,683
Canada	74,430	260,646	93,207	325,989
Apples, raw:				
Total imports	2,525,219	2,655,350	3,251,372	3,181,136
Canada	464,474	390,084	822,896	679,340
United States	440,755	457,158	837,592	668,075
Australia	1,300,260	1,422,177	1,228,403	1,376,552
Pears, raw:				
Total imports	573,090	717,863	590,941	704,968
Canada	2,010	2,646	1,269	2,069
United States	55,914	71,390	115,121	124,022
Australia	281,578	349,791	193,333	263,460

IMPORTS OF CERTAIN PRODUCTS, MAINLY AGRICULTURAL, INTO THE UNITED KINGDOM DURING THE SIX MONTHS ENDED JUNE, 30, 1937 AND 1938—Continued

	1937		1938	
	Quantity Cwts.	Value £	Quantity Cwts.	Value £
Fish, fresh or frozen (not of British taking):				
Total imports	1,036,616	1,534,637	1,022,841	1,538,741
Canada	49,355	167,994	38,284	154,596
Norway	497,784	521,004	488,848	417,581
Denmark	139,259	281,798	147,222	292,819
Eire	17,924	114,405	16,876	105,201
Canned salmon:				
Total imports	392,108	1,352,021	240,732	972,022
Canada	75,483	264,020	64,656	248,866
United States	128,220	494,940	98,637	440,367
Soviet Union	4,403	15,550	3,359	11,824
Canned lobster:				
Total imports	6,375	88,464	7,945	99,689
Canada	5,783	80,920	7,843	98,720
Canned pears:				
Total imports	279,160	649,108	398,627	692,588
Canada	25,654	48,544	43,242	75,622
Australia	112,542	184,224	84,119	153,067
United States	237,896	410,684	256,789	438,028
Lard:				
Total imports	731,793	2,189,667	815,366	1,820,711
Canada	163,665	527,500	90,083	217,532
United States	269,041	810,700	654,549	1,449,306
Tobacco, unmanufactured, if stripped:	Lbs.		Lbs.	
Total imports	13,917,346	901,762	33,398,966	2,196,643
Canada	637,512	35,532	470,601	23,776
Nyasaland	270,537	11,096	342,575	16,290
Southern Rhodesia	252,598	9,918	107,288	8,649
British India	6,066,545	259,158	17,318,250	948,649
United States	6,411,785	570,002	15,015,394	1,191,237
Tobacco, unmanufactured, if unstripped:				
Total imports	49,637,544	3,210,089	91,847,035	6,433,526
Canada	6,551,426	429,309	13,475,348	991,784
Nyasaland	140,296	6,410	859,244	46,571
Southern Rhodesia	2,173,417	104,407	2,264,271	150,250
British India	445,349	17,822	1,312,913	69,587
United States	37,365,245	2,423,431	71,478,734	4,944,097
Wood and timber, sawn, hard, not planed or dressed:	Thous. Cu. Ft.		Thous. Cu. Ft.	
Total imports	11,337	1,605,841	7,952	1,211,982
Canada	2,690	289,239	2,356	264,039
Poland	1,014	123,918	494	65,551
United States	3,015	513,312	2,104	387,035
Wood and timber, sawn, soft, not planed or dressed:	Standards		Standards	
Total imports	616,815	8,636,140	435,725	6,362,548
Canada	158,017	2,219,338	126,540	1,875,188
Soviet Union	80,687	1,258,386	55,560	832,537
Finland	86,112	1,098,046	67,055	907,587
Sweden	71,981	964,062	59,071	812,480
Poland	105,211	1,365,132	56,463	733,784
United States	21,255	548,544	19,244	525,690
Pulp of wood, mechanical, wet	Tons		Tons	
Total imports	323,912	1,526,539	319,417	1,953,513
Canada	5,116	17,900	6,882	37,532
Sweden	96,065	446,167	98,887	577,595
Finland	99,584	451,139	93,345	519,054
Norway	120,834	599,088	117,648	801,195
Aluminium and aluminium alloys:	Cwts.		Cwts.	
Total imports	245,947	1,105,197	456,694	2,096,994
Canada	164,271	746,186	302,930	1,408,937
Switzerland	44,479	196,735	83,157	374,455
Copper ore:	Tons		Tons	
Total imports	13,844	1,181,320	14,941	1,225,434
Canada	13,821	1,180,980	14,911	1,224,970
Spain .. . . .	.....	.....	.....	.....
Copper, electrolytic, unwrought:				
Total imports	80,501	5,114,586	108,901	4,794,006
Canada	43,054	2,692,025	50,334	2,236,714
United States	20,190	1,302,157	24,329	1,083,445
Australia .. . . .	.....	.....	.....	.....

IMPORTS OF CERTAIN PRODUCTS, MAINLY AGRICULTURAL, INTO THE UNITED KINGDOM DURING THE SIX MONTHS ENDED JUNE, 30, 1937 AND 1938—*Concluded*

	1937		1938	
	Quantity Tons	Value £	Quantity Tons	Value £
Pig lead:				
Total imports	173,255	4,739,537	201,578	3,180,917
Canada	47,012	1,311,355	54,212	862,260
Australia	83,230	2,264,927	96,069	1,522,012
Nickel:	Cwts.		Cwts.	
Total imports	146,290	1,304,177	241,629	2,172,735
Canada	120,099	1,065,096	219,302	1,976,990
Zinc, crude:	Tons		Tons	
Total imports	84,692	2,132,884	89,220	1,386,823
Canada	32,710	800,882	47,518	764,569
Australia	7,344	191,634	8,728	135,266
Manufactures of wood and timber:				
Total imports		3,860,518		3,283,851
Canada		544,299		536,479
Finland		870,991		820,237
Soviet Union		496,162		274,053
Rubber boots and shoes (not made to cover the ankle):	Doz. Prs.		Doz. Prs.	
Total imports	434,202	299,405	567,049	369,780
Canada	103,798	117,320	109,488	120,845
Leather, dressed box and willow calf:	Cwts.		Cwts.	
Total imports	17,490	634,625	9,087	291,362
Canada	3,419	174,901	1,679	84,870
Germany	3,654	103,307	1,691	39,947
Netherlands	968	44,074	525	19,650
Hungary	1,283	43,093	1,246	34,621
Leather, patent, varnished, japanned and enamelled:				
Total imports		6,555		5,987
Canada		5,095		3,826
United States		932		1,288
Germany				
Newsprint, in rolls:				
Total imports	3,835,560	1,631,871	3,861,498	1,827,389
Canada	1,332,618	561,970	1,396,950	630,159
Newfoundland	1,349,541	590,933	1,233,731	554,838
Finland	780,847	323,657	892,653	478,700
Norway	204,477	87,631	157,019	79,442
Sweden	157,098	62,042	174,025	79,992
Cardboard and millboard (other than wallboards):				
Total imports	1,548,120	1,075,481	1,268,276	1,070,385
Canada	196,540	141,533	284,467	230,605
Germany	298,043	235,372	227,249	219,504
Sweden	378,761	276,663	287,777	241,446
Finland	405,616	220,396	269,846	193,292
Motor cars:	Number		Number	
Total imports	9,798	1,373,275	7,086	972,707
Canada	1,229	298,559	757	188,827
United States	4,190	771,779	2,140	404,729
France	510	37,226	561	44,832

BRITISH EXPORTS TO CANADA

The following table, which has been compiled from the Board of Trade report for June, gives as far as practicable details of the total exports during the first six months of 1937 and 1938 respectively of those commodities of which Canada takes important quantities from the United Kingdom. These figures are shown in conjunction with the actual amounts exported to Canada:—

	1937		1938	
	Quantity Tons	Value £	Quantity Tons	Value £
Total exports	18,576,573	16,646,639	17,503,113	18,277,044
Canada	387,952	521,572	414,949	560,467
Pottery, glass, abrasives, etc:				
Total exports		4,783,163		4,743,766
Canada		585,738		591,189
Iron and steel and manufactures thereof:				
Total exports	1,349,739	23,169,274	1,010,655	22,211,945
Canada	78,517	1,737,757	47,347	1,290,320

Principal British Exports to Canada, January to June—Concluded

	1937		1938	
	Quantity Tons	Value £	Quantity Tons	Value £
Non-ferrous metals and manufactures thereof:				
Total exports		7,547,137		6,049,922
Canada		245,759		178,478
Cutlery, hardware, implements and instruments:				
Total exports		4,550,846		4,508,011
Canada		191,677		206,544
Machinery:				
Total exports	207,302	22,953,116	240,438	29,151,275
Canada	4,891	701,251	6,799	920,084
Cotton manufactures (except apparel and embroidery):				
Total exports	1,000 Sq. Yds.	21,948,759	1,000 Sq. Yds.	16,822,920
Canada	980,775	664,172	704,796	540,224
Canada	38,839		30,828	
Woolen and worsted yarns and manufactures:				
Total exports		17,647,931		13,318,817
Canada		2,272,645		1,832,767
Tissues of artificial silk (including staple fibre and waste):				
Total exports	Sq. Yds.	788,386	Sq. Yds.	671,012
Canada	18,325,575	56,263	14,818,737	43,718
Canada	1,140,593		935,167	
Manufactures of other textile materials (mainly linen, jute, and hemp):				
Total exports		10,143,158		7,671,891
Canada		1,093,197		881,476
Apparel:				
Total exports		4,891,144		4,063,863
Canada		228,152		203,945
Chemicals, drugs, dyes and colours:				
Total exports		12,586,595		11,010,401
Canada		578,373		470,682
Leather and manufactures thereof:				
Total exports		2,723,376		1,828,265
Canada		209,494		133,270
Paper, cardboard, etc.:				
Total exports		3,737,460		3,462,344
Canada		147,428		119,772
Vehicles (including locomotives, ships and aircraft):				
Total exports		18,451,964		21,788,222
Canada		324,449		474,822
Miscellaneous articles wholly or mainly manufactured:				
Total exports		13,612,974		13,941,248
Canada		628,521		586,117

WHEAT AND FLOUR TRADE REGULATION IN THE UNITED KINGDOM

FREDERIC HUDD, CHIEF CANADIAN TRADE COMMISSIONER IN THE UNITED KINGDOM

WHEAT

London, July 14, 1938.—The Wheat Act, 1932, which is the instrument of the United Kingdom Government's policy for subsidizing the domestic production of wheat, remains in force practically unaltered. The only change which has been made in the original legislation came into effect during the present year, and its purpose was to increase from 6,300,000 quarters (48,000,000 bushels) to 8,000,000 quarters (61,000,000 bushels) the limit fixed for the "anticipated supply" of wheat. The anticipated supply is one of the factors which enter into the calculation of the subsidy. The amendment will afford an additional incentive to the extension of wheat production by providing farmers with a guarantee of subsidy payment on a total quantity greater than that prescribed in 1932.

The Act does not involve any quantitative regulation of imports.

There is, however, a duty under the United Kingdom-Canada Trade Agreement, 1937, of 2s. per quarter of 480 pounds (approximately 6 cents per bushel) on foreign wheat imported into the United Kingdom. Until the expiration of that agreement in August, 1940, wheat grown in Canada or other Empire countries is entitled to free admission into the United Kingdom upon condition that

the usual evidence of origin and consignment is produced to the United Kingdom Customs authorities at the time of entry.

WHEAT SUBSIDY MACHINERY

The administration of the Wheat Act, 1932, is vested in the Wheat Commission. The main feature of the Act is to ensure to every registered grower of wheat in the United Kingdom a minimum price (known as the "standard price") of 10s. per cwt. (112 pounds) in respect of his certified sales of millable wheat. This is equivalent to \$1.36 per bushel. The definition of millable wheat under the Act is as follows:—

Millable wheat shall be wheat which is sweet and in fair merchantable condition, commercially clean as regards admixture and tailings and commercially free from heated or mouldy grains or objectionable taint, and capable of being manufactured into a sound and sweet flour fit for human consumption having regard to the customary methods employed in the milling industry for cleaning and conditioning wheat.

If wheat is inferior to this standard but can be improved by cleaning or conditioning so that it conforms to the definition, the grower must, before selling it, apply to the commission for a permit to remove the wheat from the farm for the necessary treatment.

The actual payment made to farmers by the Wheat Commission is called the "deficiency payment." It represents the difference between the standard price (10s. per cwt.) and the "ascertained average price," which is the average price obtained by growers throughout the United Kingdom in a particular cereal year. A small deduction is made for administration expenses.

For the crop year 1936-37 the ascertained average price was 8s. 9·92d. per cwt. (\$1.20 per bushel). The difference between this and the standard price, therefore, was 1s. 2·08d. per cwt. (16 cents per bushel). Although the deficiency payments to growers are due after the termination of the cereal year (August 1 to July 31), the Wheat Commission are enabled to make payments in advance, and this is usually done. The final deficiency payment for the 1936-37 crop year was 1s. 1·53d. per cwt., or 15 cents per bushel. The deficiency payment for the year closing on July 31, 1938, will not be announced until September. It is generally expected, however, to be in the neighbourhood of 1s. 6d. per cwt., or 20 cents per bushel.

QUOTA PAYMENTS

The deficiency payments are drawn from the wheat fund, which is accumulated from the proceeds of a levy known as the "wheat quota payment," payable by millers and importers of flour in respect of all flour, whether home milled or imported, delivered by them in the United Kingdom. The levy at the present time is 9·6d. (19 cents) per cwt.

The following table gives the rates of quota payments and the effective dates since the Wheat Act came into force:—

Date	Per Cwt.	
	Pence	Cents
June 19, 1932	10.8	22
October 30, 1932	13.2	26.5
August 2, 1933	16.8	34
November 5, 1933	21.6	44
August 12, 1934	19.2	38
March 17, 1935	21.6	44
September 29, 1935	19.2	38
November 3, 1935	16.8	34
February 23, 1936	14.4	29
August 9, 1936	9.6	19
November 1, 1936	4.8	10
January 27, 1937	2.4	5
April 18, 1937	Payments suspended	
September 19, 1937		
January 23, 1938	4.8	10
March 13, 1938	7.2	15
April 10, 1938	9.6	19

SUCCESS OF SCHEME

United Kingdom farmers appear to be well satisfied with the machinery of the wheat subsidy, and it is generally understood that it is the most acceptable and successful of all the agricultural marketing schemes in force in the United Kingdom. Further, its objective, namely, expansion of the home production of wheat, is being realized. In 1931 the acreage under wheat in the United Kingdom was the lowest on record—1,250,000 acres, or about half the area devoted to wheat in the peak year 1918. In 1932, in anticipation of the Act, the wheat acreage had increased to 1,343,000 acres, producing 41,530,000 bushels, and in 1933, the first complete year during which the Act was effective, to 1,745,000 acres yielding 59,450,000 bushels. Since then the acreage has, broadly speaking, grown steadily, with the exception of 1936, when there was a slight recession. In 1937, however, there was a recovery to 1,836,451 acres producing 53,653,000 bushels.

FLOUR

There is no regulation of flour imports into the United Kingdom. Flour of foreign production is chargeable with a 10 per cent ad valorem duty under the Import Duties Act. Canadian flour qualifying for Imperial preference is exempt from this duty under the United Kingdom-Canada Trade Agreement. Importers of flour, including Canadian, and also domestic flour millers, are required to pay the levy demanded under the Wheat Act as described above.

INDUSTRIAL SURVEY OF SOUTH AFRICA

G. R. HEASMAN, CANADIAN TRADE COMMISSIONER

Cape Town, July 18, 1938.—The industrialization of South Africa is proceeding apace, as a result of the prosperity that came to the Union with the abandoning of the gold standard and the consequent heavy increase in imports. The existing customs tariff, which had in many cases been imposed for revenue purposes, has now become largely a protective one and the Minister of Finance has stated that it is not possible to reduce it much further without seriously affecting a great number of these industries, both large and small, that have come into being of recent years.

In the fiscal year 1924-25 there were 7,206 industrial undertakings in South Africa of either a government, municipal, or private nature. Up to 1929, which was also a peak year of prosperity, only an additional 200 industries had been started. For the year 1934-35, however, industrial undertakings had reached a total of 9,042, as a direct result of the wave of prosperity that started in 1932.

There are now in the food industries alone 101 factories devoted to the manufacture of cheese, 41 creameries, 45 bacon and ham curing establishments, 19 producing baking powder, 10 biscuit factories, 15 making breakfast foods, 30 handling chocolate products, 15 fruit canneries, 18 manufacturing jellies, powders and crystals, 20 sugar mills, 20 brewing plants, and 6 macaroni and vermicelli factories.

In the clothing industry there are 176 factories listed as manufacturing clothing and 104 devoted to the manufacture of shirts and pyjamas. There are also 74 leather footwear factories (9 engaged in making canvas shoes and 14 in making canvas top rubber-soled footwear), 23 factories are listed as making brooms and brushes, 3 are making bolts and nuts, 22 are engaged in making cigarettes, 18 devoted to the manufacture of distemper (dry), 68 manufacturing paints, 23 manufacturing paper bags, 9 manufacturing rubber products, 9 manufacturing electric water heaters, and 21 factories devoted to the manufacture of fencing.

The above have been taken more or less at random from a recent issue of the *National Directory of Manufacturers* of the Union of South Africa, as published by the South African Federated Chamber of Industries.

There are also motor car assembly plants, rubber tire manufacturers, wrapping paper factories, a composition building board industry, stove factories, a furniture and joinery industry, engineering plants of all kinds (especially with regards to mining equipment), and one of the most important of all, with its subsidiary factories, the semi-Government steel works.

South Africa has been a splendid market for Canadian manufactured products. Canadian manufacturers should take into consideration the fact that the country is becoming industrialized and that with the passing of each year there is less prospect of their continuing to find a market in South Africa for many of the products they have been accustomed to sell in the Union, or at least to the same degree.

SOUTH AFRICAN MARKET FOR WOMEN'S SHOES

G. R. HEASMAN, CANADIAN TRADE COMMISSIONER

Cape Town, July 18, 1938.—The boot and shoe industry in South Africa is well developed. It first began by manufacturing a low-priced labourer's or farmer's shoe. The industry has since grown, first behind a revenue and then a protective tariff, to a point where to-day shoes of a high grade are being made, not only in women's footwear, but in all types of boots and shoes. There are now no less than 74 factories devoted to the manufacture of leather footwear.

In 1929 imports of women's leather shoes into South Africa amounted to 1,283,930 pairs. During the depression period this fell considerably, but there has been a slight recovery of recent years. Imports are never expected to again reach the 1929 figures because of the improved domestic production.

Imports of women's leather shoes for 1937, 1936, and 1934 were as follows:—

	1937		1936		1934	
	Pairs	£	Pairs	£	Pairs	£
Total	321,301	178,286	330,196	190,616	263,141	153,213
United Kingdom..	143,563	85,445	166,902	96,925	151,109	90,311
Canada.. . . .	3,856	1,731	4,519	2,164	2	3
Belgium	2,535	1,406	5,930	3,664	18,126	12,838
Czechoslovakia ..	93,201	33,570	72,351	28,640	60,949	24,301
France.. . . .	478	391	500	345	405	544
Roumania.. . . .	1,098	804	687	495	.....	.....
Switzerland .. .	20,050	15,509	26,746	21,824	8,716	8,201
United States.. .	52,767	37,580	49,592	34,928	18,878	13,097

Although last year's total imports of women's leather shoes are far removed from the one and a quarter million of 1929, it is significant that whereas in 1929 the United States only supplied 12,000 pairs, in 1937 the same country supplied over 52,000 pairs. The same conditions apply in a different degree to imports from Canada.

The workmanship of many of the better-class shoes made in South Africa is good, but up-to-date styles are lacking. It is largely because overseas countries are able to make more frequent changes in style that imports continue even as high as they are.

PRICES

There is no import market for the cheaper grades of shoes as this is satisfactorily handled by the domestic industries. Furthermore, the rate of duty is such as to preclude any possibility of marketing a low-priced shoe. The extreme high-priced shoe has a limited market, as the total white population of South Africa is approximately 2,000,000, of which only a small fraction are able to

purchase the highest priced goods. The demand for imported shoes is therefore mainly for those selling at about \$3 to \$3.50 f.o.b. factory.

A shoe costing \$3 f.o.b. Canadian factory lands in South Africa at approximately 17s., or again approximately \$4.25. This compares with a price to the wholesaler of 12s. 6d. and to the retailer of 1s. more on a locally made similar type of shoe. The imported shoe is, therefore, from 3s. 6d. to 4s. 6d., or from approximately 85 cents to \$1.10, higher in price. For this difference overseas manufacturers are expected to supply a shoe of the very latest style and design and certainly equal, if not better, workmanship and quality. For these differences the South African consumer will pay the increased cost. Local factories also deal with a large number of small stores throughout the country. This has the tendency to force a number of the leading departmental stores to look for something different from overseas factories. Stores importing from overseas therefore want a shoe that is out of the ordinary and not already on the market, and certainly one that is not carried by all the small stores.

SIZES REQUIRED

As regards fittings, these should be "E," although there is also a sale for "D." Samples should be not less than "D" fittings, otherwise difficulty is experienced in disposing of them. The sizes range from 3's to 7's. Canadian manufacturers have in the past found difficulty in supplying shoes of the larger widths, Canadian sizes being all very much narrower.

SALES METHODS

The usual method of selling shoes in South Africa is through the medium of a manufacturers' agent or representative. A range of samples is forwarded to a selected representative. The agent canvasses the wholesalers and possibly some of the larger stores in the retail trade, and books orders on behalf of his principals. The agent sells on a commission basis, which varies from 5 per cent to 7½ per cent. Samples are in some instances invoiced to him free of charge, with instructions to remit proceeds on sale. In other instances they are invoiced at 50 per cent off regular price, and the agent debited accordingly.

The United States manufacturers are offering ranges of shoes up to \$3.50 and getting a fair share of the business. White calf has a great sale in this country during the summer months. White suede is deemed a little heavy for climatic conditions. If Canadian manufacturers can meet the price and width requirements there is no reason why Canada should not enjoy a larger share of the market.

The South African customs tariff on women's and other shoes, size 2 and upwards, is 30 per cent ad valorem, or approximately 85 cents a pair, whichever duty shall be the greater.

NEW ZEALAND WHEAT SITUATION

R. P. BOWER, ASSISTANT TRADE COMMISSIONER

Auckland, June 24, 1938.—According to returns received from New Zealand threshing-mill operators up to May 26, 4,360,073 bushels of wheat were threshed from 134,099 acres in the period January-April, 1938, an average yield of 32.51 bushels per acre. These figures cover about 75 per cent of the acreage sown to wheat. The average yield is about half a bushel higher than the 10-year average, and compared to a Canadian long-term average of 17 bushels an acre it seems almost phenomenal. High productivity of New Zealand soil is not so much responsible for this result as the fact that only the most suitable areas of New Zealand are planted to this crop.

FACTORS AFFECTING PRODUCTION

The relatively high prices paid for cereal crop lands make it essential that good yields be obtained. Prices have varied from time to time, depending on general conditions, location, and other factors, but within the past ten years have been as high as \$350 an acre. At present, good wheat land in the Otago district of the South Island of New Zealand will fetch in the neighbourhood of \$120 an acre. The absence of any marginal land under wheat cultivation is undoubtedly the principal cause of the favourable showing.

The Wheat Research Institute, maintained by the Government, has been endeavouring to develop a wheat strain that will meet local conditions better than any of those imported. A variety known as "Cross 7" was evolved in 1934, and results to date indicate great success, the strain possessing very desirable qualities for baking, a good yield, and valuable wind-resisting properties. A test was made with this variety in 1936, when 1,368 acres sown yielded 61,744 bushels, an average of 45.13 bushels per acre. This result is not strictly typical, however, as the small quantity of seed available at that time was distributed to selected growers. Other types used include Velvet, Hunters, Pearl, and Tuscan.

WHEAT CONSUMPTION

The average annual consumption of wheat in New Zealand is 8,376,000 bushels, of which 6,290,000 are converted into flour, 410,000 bushels are used for the next season's sowings, and 1,676,000 bushels for poultry feed, pig feed, and other purposes.

Imports of overseas wheat vary with the extent of the local harvest and the volume of New Zealand wheat exported. Formerly the importation of foreign flour had a bearing on wheat purchases, but as this is now a prohibited import, it is no longer a factor. There was an excess of imports over exports in 1932 of 1,361,250 bushels, in 1934 of 111,725 bushels, in 1935 of 224,475 bushels, in 1936 of 406,897 bushels, and in 1937 of 1,577,483 bushels. In 1933, however, there was an excess of exports over imports of 639,019 bushels.

The increase in 1936 and 1937 does not indicate a poor local crop, but is the reflection of the prohibition order on flour imports.

IMPORTS

Until 1935 Canada was the principal overseas supplier of wheat to New Zealand. Out of total imports amounting to 366,741 bushels in 1933, 204,155 bushels came from Canada. In 1934 the figures were 111,895 and 105,776 bushels respectively. In 1935 Australia replaced Canada as the principal supplier, and out of 258,000 bushels brought in, only 69,500 came from Canada. Of the 407,000 bushels imported in 1936, 167,000 bushels came from Canada and the balance from Australia. In 1937 only 7 per cent, or 114,174 bushels, came from Canada as compared with 1,463,309 bushels from Australia.

Canada was able to obtain such a fair share of the total in earlier years, despite cheaper offers from Australia, for two reasons: first, a strong wheat was required for blending with the softer wheats of the southern hemisphere, and, secondly, the New Zealand tariff on wheat definitely favoured expensive varieties. A sliding scale of duties was provided—the higher the f.o.b. price of the wheat the lower the duty rate—so that the landed cost of Canadian wheat was almost identical with that of Australian despite a much higher f.o.b. value.

GOVERNMENT REGULATION

In New Zealand, as in other countries, increased regulation of prices by governmental control has been a feature of economic policy in recent years.

The first steps were taken during the war and were highly effective, as shown by the relatively low war and post-war peaks of price levels in New Zealand. The control of prices initiated during the war years continued in some instances well into the post-war period, that affecting sugar not being terminated until August, 1923.

The control of wheat prices which was introduced early in the war involved fixation of prices of wheat and flour with government subsidies on flour and guaranteed prices for wheat, and continued to operate until February, 1923. Government control of imports was maintained throughout this period and until February, 1926. Maximum prices for bread, flour, bran, and pollard were fixed by Order in Council until February 24, 1925, when free market conditions were resumed. A sliding scale of import duties was introduced in 1927, to supply protection against imported wheats, and although a number of changes in rates have been made, the basic principle has been maintained. In 1933 a Wheat Purchase Board was set up, including representatives of the wheat growers and flour millers and under the chairmanship of the Secretary of the Department of Industries and Commerce, to control the purchase and distribution of milling wheat. On March 11, 1936, regulations were issued prohibiting the import of wheat and flour without the consent of the Department of Industries and Commerce. The object of the authorities is to make the country self-sufficient in flour if possible, and if not, to import additional requirements in the form of wheat for milling locally.

FUNCTIONS OF THE WHEAT COMMITTEE

The Wheat Committee, which is the organization set up under the chairmanship of the Minister of Industries and Commerce to administer the wheat and flour trade, has the sole right to purchase wheat in New Zealand. Millers wishing to purchase wheat must do so through this body. The committee grants allotments to the various mills, based on their average outputs of flour for a prior period. These mills are then given warrants to purchase the required amount of wheat from the farmers. The price paid the farmer is fixed—at present it is 5s. 9d. per bushel (\$1.15). Originally there was no system of grading, and the set price was paid irrespective of quality.

There was considerable criticism of this phase of the system, and late in 1937 a new principle was adopted of paying for wheat on a moisture content basis. The present system fixes the maximum moisture content for flour at 15 per cent. Wheat may be delivered up to 15.5 per cent moisture content without any adjustment in price, but where it contains more than 15.5 per cent an adjustment is provided for. The method of determination is the Carter Simon process, and any dispute in regard to the findings are to be referred to the Wheat Research Institute, whose decision is final. For wheat containing between 15.6 and 16.5 per cent of moisture a deduction of 4d. (\$0.067) per bushel is made. Millers are prohibited from accepting, and farmers from delivering, as f.a.q. milling wheat any wheat containing more than 16.5 per cent moisture.

FLOUR AND BREAD PRICES

The price the miller receives for his flour is also fixed, so that his only opportunity of improving his financial position is to increase his efficiency. At present the price for bakers' flour is £13 15s. 6d. per ton of 2,000 pounds. The baker in turn cannot import flour as before, while the price at which he sells his product is similarly fixed. To-day's prices for a 2-pound loaf of bread are as follows: 6½d. (10.83 cents), delivered and booked; 6d. (10 cents), delivered for cash; 5½d. (9.17 cents), over the counter.

The demand for a hard wheat flour like Canadian is met by milling Canadian wheat imported through the Wheat Committee. The committee buys and pays for the wheat, then pays the millers for grinding. This flour is known as "Canadian" flour, and is milled for the North Island by two mills in the Auck-

land district. The present price is £20 per ton of 2,000 pounds. The Wheat Committee may show a loss on certain of their operations, but their prices will be so adjusted that in the long run profits will offset losses.

MARKET OUTLOOK

The system has been in operation for approximately two years now, and the reaction of the parties most affected by it is varied. Some of the mills have been able to improve their returns under the control system, while others have shown reduced profits. The decrease in imports of Canadian flour has resulted in less of it being used for general baking, with a consequent deterioration in the quality of the bread. There has been considerable criticism on this score, and it is hoped that improved wheat strains and better harvesting weather will result in better baking characteristics from subsequent harvests. Poultry farmers throughout New Zealand complain that the high price of fowl wheat makes egg producing unprofitable, and a number of enterprises have closed up. The farmers in the wheat-producing areas are satisfied—they are assured of a ready market for their produce at predictable levels, and until recently they had no need to be concerned over inferior quality.

The outlook from the Canadian angle is not encouraging. Imports of flour have stopped entirely, while the expansion of local wheat production will affect the demand for all imported wheats. Canada's share of the total wheat imports has fallen steadily because the Government is now the only buyer, and hence there are no duties applying to offset the price advantage enjoyed by Australia. Certain quantities should be taken every year, the volume depending chiefly on the extent of the local harvest and the quality of the wheat produced.

NEW ZEALAND MARKET FOR ELECTRIC REFRIGERATORS

R. P. BOWER, ASSISTANT TRADE COMMISSIONER

Auckland, July 7, 1938.—The summer just ended in New Zealand was the warmest experienced in many years and has created a greater interest in domestic refrigeration than has ever existed before. The months of December, January, February, and March are the warmest of the year, the average temperature of the various centres depending on their relative proximity to the equator. Auckland, the most northerly of the larger cities, has a mean daily maximum during these four months in normal years averaging 71.4°F. For the summer just past the average was 80.9°F. In Wellington temperatures are slightly lower.

Few of the houses have basements where perishable goods could be stored. There is no general ice delivery and consequently practically no ice chests are seen. The usual practice is to store food in ventilated cabinets, generally built into the house. They are designed to give air circulation only. It took a hot summer such as the past one to create any very wide interest in mechanical refrigeration for the home.

SOURCES OF SUPPLY

Official statistics do not separately classify electric refrigerators, so that it is impossible to tell accurately how many are being imported. All the well-known makes are represented here and the agents invariably report good progress in recent months. The large number of inquiries received at this office for Canadian connections is further evidence of the quickening interest.

Due to the large number of different makes produced in the United States compared with only a few in Canada, it is safe to assume that over 50 per cent of the total imports come from that country. Canada would probably occupy second place, while smaller quantities would come from the United Kingdom.

CUSTOMS DUTIES

Electric refrigerators enter New Zealand under the customs classification of "machinery n.e.i." The motor is classed separately from the rest of the unit, free when of Empire origin, 25 per cent plus nine-fortieths surtax when subject to the general tariff, and 20 per cent under most-favoured-nation treatment. The cabinet and compressor are subject to 20 per cent under the British preferential tariff, 30 per cent when from Australia or Canada, and 50 per cent plus nine-fortieths surtax when of foreign origin.

When invoicing electric refrigerators destined for New Zealand the value of the motors must be shown separately, so that the unit may be split up for tariff purposes.

PRICES

The greatest deterrent to volume business is the high retail price. The following table shows the retail prices quoted on two popular makes at present on the market:—

Capacity	Model A	Model B
3 cubic feet	\$238	\$200
4 cubic feet	250	\$210
5 cubic feet	294	230
6 cubic feet	340	300

Several well-known American manufacturers have supplied their agents with 3 cubic feet models to retail at £49 10s. (\$198). Merchants do not push these lines, but use them to create buyers' interest in electric refrigerators. Slight discounts are allowed from the above on cash payments. The prices include all accessories such as defrosting bowls, vegetable crispers, and meat trays.

A refrigerator that costs roughly \$80 alongside ship in Canada retails for the equivalent of \$210 in New Zealand, due to the high forwarding, handling, and distribution costs. Ocean freight amounts to \$16.50 on a 4-cubic foot unit; duty at 30 per cent ad valorem on the f.o.b. price plus 10 per cent, after allowance for the electric motor (which enters free) to \$19.20; and landing and handling charges to roughly \$1.50, making a landed cost at approximately \$117.50. In order to secure complete coverage it is usually necessary to deal through an agent who will appoint exclusive distributors in the various districts. This agent would exact a commission of roughly \$10 per machine, while the retailer would require approximately 40 per cent on his retail price.

DOMESTIC PRODUCTION

There is no important domestic electric refrigerator industry in New Zealand at present, though the high prices charged have induced a number of different organizations to investigate the prospects of local manufacture. The cabinet and interior hardware could be made with existing facilities, but the consensus of opinion is that the unit would have to be imported. With local labour costs at present levels, it is questionable if the proposition is an economic one.

INFORMATION REQUIRED

In view of the widespread interest in electric refrigeration, and the number of firms anxious to obtain a Canadian agency, Canadian manufacturers interested in this market should supply the Canadian Trade Commissioner at Auckland with catalogues and prices. In view of the interest in local manufacture, offers of component parts would also be of value, though it might not be possible to get results for some time yet. Prices should be given both f.o.b. factory and c.i.f. New Zealand, the former being necessary to compute the amount of the duty. It would also be advisable to indicate the value of the motor, for customs purposes.

AUSTRALIAN TRADE WITH CANADA, 1936-37¹

L. M. COSGRAVE, CANADIAN TRADE COMMISSIONER

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(Values of imports into Australia are recorded generally f.o.b. port of export in British currency plus 10 per cent; £stg.1 equals \$5 Canadian)

Following is an additional list of commodities imported into Australia in 1936-37 of interest to Canadian exporters, with total values and amounts credited to each of the chief supplying countries:—

JEWELLERY, TIMEPIECES, AND FANCY GOODS

Golf Balls.—Total, £18,365 (£21,190).

The United Kingdom obtained the bulk of this trade with £18,064 (£20,399), Canada being credited with £290 (£758).

Various Articles Used for Games.—Total, £43,228 (£39,360).

Canada was shown under this heading with imports to the value of £1,228 (£1,227), the leading suppliers being the United Kingdom, £16,961 (£13,055); Japan, £11,457 (£10,513); and the United States, £8,145 (£10,358).

Toys.—Total, £193,656 (£164,652).

Canada showed an increase under this heading to £3,607 (£2,487), Japan obtaining the bulk of the trade with £113,621 (£100,042), followed by the United Kingdom, £30,610 (£27,326); Germany, £29,999 (£21,179); and the United States, £14,375 (£12,576).

Rolled Gold Jewellery; Jewellery Under 9 Carat, and Imitation.—Total, £111,291 (£76,119).

Increases were shown by the majority of the countries supplying under this heading: Czechoslovakia, £51,432 (£26,706); United States, £19,407 (£13,553); Germany, £16,972 (£13,586); United Kingdom, £12,964 (£12,500); Canada, £5,239 (£4,982); and Japan, £3,606 (£3,714).

Clocks N.E.I., Clock Movements and Parts.—Total, £152,945 (£151,312).

An increase was shown by Canada under this heading with £37,022 (£35,532), the principal country of supply being Germany with £63,455 (£62,143). Supplies were also received in large quantities from the United Kingdom, £19,191 (£16,669); the United States, £14,801 (£14,197); and Japan, £9,388 (£13,845).

Watches and Chronometers N.E.I.—Total, £47,266 (£45,521).

Canada was the leading supplier and showed an increase to £19,089 (£18,017), Switzerland ranking second with £18,720 (£15,602), while supplies in smaller quantities were received from Germany, the United States, the United Kingdom, and Austria.

Watch Movements N.E.I.—Total, £124,958 (£112,748).

The bulk of this trade was obtained by Switzerland with £117,630 (£106,096), no imports being recorded from Canada as against £772 in the previous year.

OPTICAL, SURGICAL, AND SCIENTIFIC INSTRUMENTS

Sensitized Films.—Total, £150,102 (£160,631).

Although Canada retained her position as leading supplier, the total value of her imports decreased to £88,440 (£107,795); the other two leading suppliers were Germany, £27,508 (£20,302), and the United States, £24,872 (£25,794).

Spectacles and Frames, Magnifying and Reading Glasses, etc.—Total, £26,457 (£26,186).

Germany dominated this market with £23,551 (£18,763), followed by the United States, £1,480 (£5,590), and Canada, £421 (£336).

Spectacles and Frames, etc., N.E.I.—Total, £51,818 (£52,345).

Germany was also the leading supplier under this heading with an increase to £29,271 (£13,182), while supplies from the United States dropped to £2,823 (£21,931). Other participants in this trade were Japan, £11,409 (£9,367); United Kingdom, £4,467 (£4,635); Canada, £1,959 (£858); and France, £1,236 (£2,126).

Cameras, including Mounted Lenses and Accessories, N.E.I. (but not including Tripods).—Total, £94,435 (£87,173).

A marked increase was shown by Canada under this heading with £16,519 (£5,243). Germany was the chief source of supply with £35,894 (£31,498), followed by the United Kingdom, £26,723 (£20,508). The United States participated to the value of £12,247 (£27,841), the balance coming from France, Austria, and New Zealand.

¹ This is the fifth and last section of this report, which has appeared in consecutive issues beginning with No. 1798 (July 16).

Lint, Gauzes; Bandages N.E.I.—Total, £94,985 (£67,513).

Canada entered this market with initial shipments to the value of £2,266, the bulk of the trade being obtained by the United Kingdom, £88,827 (£65,004). Supplies from the United States increased to a value of £3,540 (£1,306), and from Japan decreased to £157 (£780).

DRUGS, CHEMICALS, AND FERTILIZERS

Calcium Acetate.—Total, £9,346 (£10,338).

Canada was the principal supplier with £8,446 (£9,388), small supplies being received from the United Kingdom and Czechoslovakia.

Calcium Cyanide.—Total, £10,974 (£19,263).

The value of imports from Canada of this commodity dropped to £659 (£7,626), the chief supplier being Germany, £6,234 (£4,481), followed by the United States, £3,599 (£6,582).

Cements and Prepared Adhesives, N.E.I.—Total, £22,288 (£21,934).

Countries sharing this trade were the United Kingdom, £10,503 (£7,567); the United States, £7,762 (£8,732); and Canada, £2,726 (£4,623).

Cyanides of Potassium and Sodium.—Total, £165,700 (£129,068).

The principal supplier was the United Kingdom with the increased value of £107,318 (£80,275), Canada ranking next with £37,047 (£38,315), followed by Japan with £11,895 (£1,886).

Drugs, Crude, viz., Roots, Barks, Leaves, etc.—Total, £20,777 (£21,391).

A number of countries participated in this trade, Canada being shown with supplies to the value of £1,783 (£1,109).

Hypnotic and Narcotic Drugs N.E.I.—Total, £12,638 (£3,591).

Canada entered this trade with initial shipments to the value of £3,323, other supplies coming from Germany, £3,515 (£98); United Kingdom, £3,478 (£2,509); and in smaller amounts from the Netherlands and the United States.

Liver Extracts.—Total, £6,097 (£8,927).

No imports were recorded from Canada as against a value of £955 in the previous year; Germany with £2,712 (£2,328) and the United Kingdom with £2,121 (£3,367) sharing the greater portion of this trade.

Proprietary Medicines.—Total, £270,206 (£246,345).

The United Kingdom was the principal supplier under this heading with £159,596 (£156,599), followed by Germany with £54,852 (£40,187) and Canada, £17,206 (£11,083). Supplies from the United States also increased to £17,128 (£14,167).

Drugs and Medicinal Preparations, N.E.I.—Total, £135,272 (£141,733).

Canada had a small share of this business with a value of £3,557 (£6,498). The chief suppliers were the United Kingdom, £80,784 (£79,243); Germany, £24,086 (£17,736); and the United States, £12,709 (£16,112).

Fertilizers, Ammonium Sulphate.—Total, £191,688 (£172,991).

Canada entered this trade with shipments to the value of £3,735, the principal supplier being the United Kingdom with £187,068 (£172,212).

Formaldehyde or containing Paraformaldehyde N.E.I.—Total, £6,520 (£4,472).

Canada participated in this trade to the extent of £151 (£27), the United Kingdom with £2,551 (£2,531), and Germany with £3,171 (£1,738) controlling the market.

Iodine.—Total, £1,779 (£1,649).

The principal supplier was the United Kingdom with £1,266 (£1,484); Canada entered the market with supplies to the value of £138.

Iodides.—Total, £4,987 (£7,382).

Canada increased her share of this trade to £1,421 (£1,106), the greater portion coming from the United Kingdom, £3,487 (£5,865).

Naphtha, Wood and Methyl Alcohol.—Total, £6,845 (£4,648).

The United States with £4,046 (£1,265), Germany with £1,392 (£2,696), and the United Kingdom with £1,346 (£687) practically shared this trade. Canada is shown for the first time with a value of £61.

Perfumes, Artificial (Synthetic) in Concentrated Form.—Total, £65,871 (£65,298).

The United Kingdom with £24,314 (£27,526) and the United States with £20,347 (£19,885) shared the bulk of this trade. Canada is credited with £1,266 (£1,259), other participating countries being France, Netherlands, Switzerland, and Germany.

Face Powder.—Total, £19,492 (£19,616).

Canada showed an increase under this heading to £1,823 (£1,017), the chief supplier being the United Kingdom, £13,527 (£11,753). Shipments were also received from France, £2,361 (£2,566); Germany, £1,264 (£1,485); and the United States, £396 (£2,597).

Talcum Powder.—Total, £9,608 (£6,930).

The chief supplier was the United Kingdom with £8,103 (£4,454), Canada also showing a marked increase to £1,109 (£91).

Toilet Preparations, Perfumed or Not, N.E.I.—Total, £73,102 (£75,528).

Imports from Canada under this heading showed a marked increase to £6,687 (£2,154). The United Kingdom also showed an increase with £49,102 (£36,755), while supplies from the United States dropped in value to £10,111 (£29,617).

Sodium Salts, Acetate.—Total, £6,033 (£6,828).

Germany was the principal supplier of this commodity with £3,575 (£4,531), followed by Switzerland with £1,160 (£254), Canada with £881 (£687), and France, £264 (£1,243).

Sodium Salts N.E.I.—Total, £93,125 (£69,477).

Canada showed a marked increase under this heading to £4,016 (£1,450). The two leading suppliers were the United Kingdom with £44,397 (£57,830) and Germany with £37,991 (£2,647); the United States was third with £4,453 (£4,815).

Essences, Fruit Ethers, Aromas, Flavours and Extracts, not Medicinal.—Total, £19,413 (£22,131).

The chief supplier was the United Kingdom with £17,985 (£20,726), followed by Canada, £822 (£457).

Toilet Preparations, N.E.I.—Total, £5,153 (£6,351).

Canada showed a marked increase under this heading with supplies to the value of £1,260 (£284), the major portion coming from the United Kingdom, £3,030 (£2,856). The value of United States supplies dropped to £327 (£2,930).

Chemicals, N.E.I.—Total, £481,800 (£476,955).

The United Kingdom with £221,046 (£213,127) and the United States with £137,640 (£124,370) shared the bulk of this trade; Germany ranked next with £92,292 (£103,634), and imports from Canada showed a marked decrease to £1,334 (£8,365).

MISCELLANEOUS COMMODITIES

Guns and Rifles Bearing Approved Test Mark.—Total, £36,529 (£65,779).

Imports from Canada under this heading showed an increase to £2,628 (£701), Belgium being the leading supplier with £10,672 (£9,134), followed by Germany, £9,550 (£9,298); the United States, £8,673 (£31,594); and the United Kingdom, £4,941 (£14,516).

Cartridges, Rifle and Revolver, N.E.I.—Total, £42,842 (£73,283).

The United Kingdom was the leading supplier with £28,024 (£30,491), followed by the United States, £9,625 (£37,052); Canada, £2,809 (£4,296); and Germany, £1,622 (£907).

Bags, Ladies', Hand and Purse, of Metal other than Gold or Silver, Companions, Boxes, and Cases, etc.—Total, £69,012 (£84,762).

Canada increased her small share of this trade to £544 (£386), the three leading suppliers being the United Kingdom, £30,141 (£32,239); Japan, £16,396 (£21,321); and Germany, £10,111 (£11,180); followed by the United States with £6,763 (£12,364).

Brooms, Whisks, Mops, Carpet Sweepers.—Total, £20,701 (£20,008).

The United Kingdom led this market with £11,078 (£10,641), Canada ranking second with an increase to £7,164 (£4,892), followed by the United States with a decrease to £1,975 (£4,059).

Brushware N.E.I.—Total, £18,893 (£18,849).

The chief countries of supply under this heading were the United Kingdom, £11,919 (£11,958); Germany, £3,847 (£2,554); the United States, £1,239 (£1,482); and Canada, £783 (£995).

Vacuum Cleaners for Use in the Household.—Total, £150,840 (£181,528).

Canada is shown with an increased value to £5,386 (£2,453) under this heading, the two main suppliers being Sweden with £70,409 (£103,067) and the United Kingdom with £62,718 (£53,199). The value of supplies from the United States dropped to £9,620 (£21,628).

Musical Instruments, Parts of and Accessories, Piano Actions.—Total, £6,350 (£1,620).

The United Kingdom was the leading supplier with £5,092 (£72). Canada's share decreased to £536 (£1,287), the balance of the shipments coming from Germany and the United States.

Organs other than Pipe Organs, and Harmoniums.—Total, £1,949 (£1,683).

Canada increased her share of this small trade to £301 (£129), other suppliers being the United States, £850 (£1,441); Germany, £722 (£113); the United Kingdom and Japan.

Groceries, including Soap Dyes and Condition Foods; Goods put up for Household Use, Retail Sale, etc.—Total, £118,015 (£115,333).

The United Kingdom was the leading supplier with £103,453 (£102,658), New Zealand ranking second with £7,071 (£6,791), and Canada also showing an increase to £4,132 (£3,485).

Asbestos Packing, or chiefly of Asbestos.—Total, £53,817 (£45,344).

The United Kingdom with £29,218 (£25,303) and the United States with £21,633 (£17,704) shared the bulk of this trade, Canada increasing her small share to £1,006 (£708).

Asbestos Pipe and Boiler Covering, and Mattresses for Boilers.—Total, £1,641 (£1,564).

Canada is shown with an initial shipment to the value of £40, the United Kingdom controlling the market with £1,558 (£1,380).

Felt, Wool, and Other Packings.—Total, £26,772 (£21,901).

The United States with £13,757 (£10,937) and the United Kingdom with £11,580 (£9,605) shared the bulk of this trade, Canada increasing her share to £934 (£831).

Compositions for Covering Pipes and Boilers.—Total, £4,384 (£2,064).

Canada is shown with an initial shipment to the value of £376, the United Kingdom dominating the market with £3,793 (£1,556).

Soap, Toilet, Fancy, or Medicated.—Total, £18,006 (£14,349).

The United Kingdom was the leading supplier with £13,489 (£10,125), followed by Canada with £2,004 (£1,238) and the United States, £1,160 (£2,085).

Wall and Ceiling Parts, and Decorations of Any Materials N.E.I.—Total, £54,317 (£43,891).

Canada was the leading supplier with £29,467 (£13,117), while supplies from the United States dropped to a value of £1,203 (£18,252). Other countries sharing this trade were the United Kingdom, £12,291 (£1,971); Finland, £5,482 (£1,918); and Sweden, £5,252 (£4,155).

TRADE COMMISSIONERS ON TOUR

Mr. Yves Lamontagne, Canadian Trade Commissioner at Brussels, Belgium; Mr. A. B. Muddiman, Canadian Trade Commissioner at Milan, Italy (whose territory includes Spain, Portugal, Gibraltar, Malta, Albania, and Yugoslavia); and Mr. M. J. Vechsler, Canadian Trade Commissioner at Lima, Peru (whose territory includes Bolivia, Ecuador, and Chile), are visiting the principal industrial centres of Canada in the interest of Canadian trade with their respective territories. Their itineraries are as follows:—

Mr. Lamontagne

London	Aug. 15	Saint John	Aug. 29
Kitchener	Aug. 16	Halifax	Aug. 30
Toronto	Aug. 17 to 20	Quebec City	Sept. 1
Montreal	Aug. 22 to 25	Ottawa	Sept. 2
Granby	Aug. 26 and 27		

Mr. Muddiman

Montreal	Aug. 15 to 23	Ottawa	Aug. 24 and 25
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Mr. Vechsler

Vancouver	Aug. 15 to 24	Toronto	Sept. 6 to 20
Kelowna	Aug. 26	Ottawa	Sept. 23
Edmonton	Aug. 31		

Firms who wish to be brought in touch with the Trade Commissioners should communicate: for Toronto, Edmonton, and Vancouver, with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other centres, with the respective Board of Trade or Chamber of Commerce.

MARKET FOR FEEDSTUFFS IN FRANCE

J. P. MANION, ASSISTANT COMMERCIAL ATTACHÉ

Paris, July 18, 1937.—France is a large user of animal feed, as is indicated by the animal population of the country at the end of 1936, which was as follows: cattle, 15,762,080; sheep, 9,808,280; swine, 7,088,730; horses, 2,762,080; goats, 1,358,940; asses, 203,060; mules, 116,520; poultry, 145,000,000; ducks, 22,000,000; turkeys, 4,300,000; geese, 5,900,000; rabbits, 96,000,000; and pigeons, 26,000,000.

France generally produces sufficient feedstuffs for this animal population. Although there is a considerable volume of foreign trade, imports and exports usually nearly balance.

Production of feedstuffs in France in 1936, in metric tons of 2,205 pounds, was as follows:—

	M. Tons		M. Tons
Cereal straw	20,003,000	Annual green feeds (vesces, peas, red clover, etc.)	14,274,226
Feed beets	34,313,441	Clover	4,852,219
Oats	4,214,490	Lucerne grass	5,079,715
Corn	531,238	Sainfoin	1,875,997
Topinambours	2,455,225	Leguminous feeds	1,950,756
Feed cabbage	7,483,135	Natural prairie	19,676,718
Rutabaga	2,614,300	Natural grasses	6,854,483
Feed turnips	1,243,070	Pastures	6,148,361

In addition to the above, there is a large production of bran, as wheat consumption in France amounts to nearly 300 million bushels.

FOREIGN TRADE

Imports and exports vary from year to year, but generally exports are higher than imports, as may be seen from the following table:—

Imports into France of Animal Feed			Exports from France of Animal Feed		
	Feedstuffs and Bran Tons	Oil-seed Meal Tons		Feedstuffs and Bran Tons	Oil-seed Meal Tons
1913	241,932	168,628	1913	290,455	241,263
1928	115,354	80,357	1928	369,324	216,386
1929	198,176	65,037	1929	288,968	184,834
1930	74,207	57,678	1930	358,664	273,989
1931	149,689	92,569	1931	270,467	265,514
1932	140,623	143,769	1932	316,495	191,173
1933	76,023	157,026	1933	206,468	191,119
1934	95,468	91,464	1934	192,044	121,850
1935	114,954	33,382	1935	255,605	179,165
1936	114,196	86,998	1936	150,934	95,605

Whereas total production of feedstuffs in France (excluding bran) in 1936 was about 150,000,000 tons, imports (including oil meals) amounted to about 200,000 tons and exports to about 250,000 tons. Under normal circumstances imports only amount to about one-eighth of one per cent of production.

IMPORTS BY COUNTRIES

Although imports of feedstuffs and bran appear impressive, a large proportion comes from the colonies, as is indicated in the following table:—

	1937	1936
	In Metric Tons	
Total feedstuffs	11,504	12,619
Netherlands	3,912	3,655
Argentina	3,256	2,054
Belgium	2,361	2,848
Italy	248	185
Other foreign	929	1,540
French colonies	798	2,357
Total bran	87,135	101,846
Foreign countries	296	346
Algeria	44,087	45,573
Tunisia	17,561	20,723
Morocco	6,813	16,410
Syria	4,991	10,791
Other French colonies	13,385	8,002
Total oil-seed meal	90,849	61,838
Belgium	33,284	26,106
United States	27,318	4,834
Roumania	11,348	16,500
Italy	3,348	2,721
Netherlands	248	1,582
Other foreign countries	8,864	7,027
French Indo-China	3,633	1,791
Other French colonies	2,806	1,176

With the exception of Argentine supplies, presumably corn, a large proportion of the trade in feedstuffs and bran is directed towards the colonies.

CUSTOMS DUTIES

The following rates of duty per 100 kilos gross weight apply upon animal feedstuffs entering France:—

	General Tariff Francs	Minimum Tariff Francs
164 Feedstuffs:		
Cereal straws	15.00	5.00
Other	3.90	1.30
165 Bran:		
Under temporary admission	5.00	5.00
Other	11.00	11.00

Canada has the benefit of the minimum tariff under both these classifications. Feedstuffs under tariff item 164 are not under quota.

Regulations regarding bran are based on the laws dealing with the temporary importation of wheat. The whole item is under quota, and no quota has been granted for several years for bran imported directly. However, the bran from wheat is imported under the temporary admission system within the limits of a quota. Thus, 5,000 tons of bran from imported bread-wheat milled in France may generally remain within the country every quarter, and 5,000 tons of bran from durum wheat milled may also be kept. Because of the expected scarcity of secondary cereals and feedstuffs, the National Wheat Office has recently decreed that bran need not be exported to compensate in part for imported wheat. While the present regulation is merely a temporary measure, it is likely that it will be made a mandatory one within a short while.

The new measure will in no way increase the amount of imported bran, but it will in effect place an embargo on exports from France.

PRESENT SITUATION

While no estimates of the expected crops have as yet appeared, it is known that there will be a serious decrease in the production of feedstuffs. On the other hand, cereal straws and root crops, including feed beets, turnips, and topinambours, will be above average in one case and about average in the other.

Acreage in crop in animal feeds on June 1 as against the same period last year was as follows:—

	1938	1937
Artificial prairiesHectares	2,957,450	2,986,650
Temporary prairiesHectares	575,730	554,440
Annual green feedsHectares	671,630	697,200
Natural grassesHectares	5,561,390	5,515,970
PasturesHectares	1,935,030	1,934,980

The general expectation is that these crops will be about 28 per cent below the good results of last year.

MITIGATING FACTORS

There are several circumstances which have to be taken into consideration in modifying estimates as to the effects of this shortage.

1. As has already been stated, the coming crop of cereals and cereal straw is excellent, and the crop of feed beets, topinambours, and other root crops is good.
2. France has suffered in recent months from foot and mouth disease. The birth of calves during the present year will probably be greatly reduced, lowering the number of cattle to be fed.

3. The shortage of feeds was particularly serious in April and May of this year, as a result of which a larger proportion than usual of cattle were slaughtered.

4. Indo-China is expecting a large corn crop. Although this part of the French Empire always ships fairly large quantities to France, it is expected that special concessions will be granted, and the institution of an export subsidy is even mooted.

5. Morocco has a large crop of barley and corn, and a moderate crop of oats. Estimates are for a production of 1,000,000 metric tons of barley and 4,000,000 tons of corn. Free import quotas into France have been announced as being 25,000 tons of oats, 230,000 tons of barley, and 90,000 tons of corn. These quotas could probably be increased if the French demand is large and if Moroccan consumption permits the expectation of a surplus.

6. As already stated, there will be an additional supply of bran due to the fact that this product need no longer be exported as part of the compensatory exportation of wheat to cover imports under the system of temporary admission.

7. Finally, and most important, is the pressure on the market which will be exerted by wheat surplus. This year there is a possibility that the wheat crop may reach 75,000,000 bushels.

It is expected that up to 12,000,000 bushels of wheat will be denatured for use as feed during the coming year.

The general conclusion to be derived from these various factors is that there will be no undue shortage of feedstuffs during the coming year, and that whatever imports take place will come preferably from the French Colonial Empire.

PRICES

The following average prices are being received in France for animal feedstuffs. In all cases prices are in terms of one metric ton.

Wheat Straw.—Average price 260 francs or \$7.02 per short ton.

Prices in the northern sections are high because the wheat harvest has barely started. The prices will probably settle to around 200 francs.

Oat Straw.—Average price 203 francs or \$5.40 per short ton.

Hay.—Average 673 francs or \$18.20 per short ton.

Luzerne Grass.—Average 673 francs or \$18.20 per short ton.

Other Quotations.—Clover, 450 francs; barley straw, 290 francs; rye straw, 500 francs; wheat bran, 1,100 francs.

In a recent trip north of Paris, it was noticed that second growth feeds were very advanced and in splendid condition.

MARKET FOR SEEDS

If this report appears to be negative in so far as the market for hay, straw and other feedstuffs are concerned, this need not necessarily be so for seeds. This market, however, will not open until the domestic supply is exhausted. Present domestic prices per 100 kilograms are as follows:—

	Francs
Luzerne grass	600 to 700
Vesces (Vetch)	170
Purple clover	500 to 600
White clover	800 to 900
Alsike	700 to 800

WHEAT AND FLOUR TRADE REGULATION IN SWITZERLAND

J. A. LANGLEY, CANADIAN TRADE COMMISSIONER

(One Swiss franc equals Can.\$0.23 at the current rate of exchange, at which all conversions have been made. One metric ton equals 2,205 pounds; one kilo equals 2.2 pounds)

WHEAT

Rotterdam, July 6, 1938.—The basis of state control of the wheat trade in Switzerland goes back to the war, when in 1915—as a measure of national emergency—the Government assumed sole responsibility for its importation and distribution. This monopoly continued until 1929, when, after a plebiscite had been held on the question, it was abandoned.

The constitutional amendment which abolished the monopoly provided at the same time measures of state aid for domestic wheat producers. The principal features are the formation and maintenance by the Government of reserve supplies of wheat and the acquisition of home-grown wheat from the producer at a guaranteed price. The State also undertook to provide the machinery for the selling of this wheat to the millers, the paying—under certain conditions—of milling premiums, and the protection of the national milling industry against foreign competition.

GOVERNING LEGISLATION

The legislation dealing with the wheat trade of Switzerland is covered by the “Loi Fédérale sur le Ravitaillement du Pays en Blé” of July 7, 1932. A recapitulation of the salient features of this legislation is subjoined:—

Reserves.—In order to ensure an adequate supply of wheat within the country, the Confederation is to maintain a reserve of approximately 80,000 metric tons (2,940,000 bushels), which quantity may, under exceptional circumstances, be augmented. This reserve supply is to be held in private or public warehouses and also in the private storehouses of the mills. It is to consist of the varieties and qualities best suited for milling purposes. It is laid down that the Federal Cereal Administration—a government body—is responsible for the renewal of reserves. Sales are made to millers at the current market prices, and concurrently equal quantities purchased from abroad, so that the specified quantity is always held in stock. In buying wheat the Cereal Administration must purchase through Swiss importers or representatives of foreign grain firms domiciled in the country.

Domestic Wheat.—It is specified that the Confederation is to purchase directly from Swiss producers wheat suitable for the making of bread. The price paid is to be between 34 and 45 francs per 100 kilos (\$7.82 and \$10.35 per 3.67 bushels) f.o.b. cars or franco mill or warehouse.

The actual price paid is to be fixed annually by the Federal Council. For wheat of a superior quality supplements of 1.50 to 2.50 francs per 100 kilos (\$0.34½ to \$0.57½ per 3.67 bushels) may be paid. Additional supplements may be paid to producers of wheat in mountain regions on account of their higher production costs. Apart from aiding growers financially, the Confederation is to assist and encourage in all possible other ways the domestic production of bread grains.

Milling Industry.—The law being reviewed places the milling industry in general under the supervision of the Confederation, whose advice and instructions it must follow.

The commercial mills are required, for instance, to store without cost their part of the reserve wheat and to adequately guard it against deterioration or damage. Operators of commercial mills must also take for grinding the indigenous wheat purchased by the Federation, and at the request of the Cereal

Administration they must in addition purchase the foreign wheat held in storage, in order to permit the periodic renewal of stocks.

The Federal Council will fix the price to be paid for this wheat on the basis of the average price ruling for foreign wheat of similar quality franco mill. Home-grown wheat is delivered to the mills at a uniform price franco railway station or destination.

The section dealing with the milling industry also provides that the right to import bread flour is vested solely in the Confederation. The Cereal Administration may authorize such importation against payment of a compensatory duty at a rate to be fixed by the Federal Council. Industries which do not use bread flour for the manufacture of bread may be exempted from this tax.

The Confederation is further empowered to grant special facilities for the transportation of flour in the country. Furthermore, assistance is provided for mills in the mountain regions, which, because of locality, could not otherwise economically operate.

Control of Wheat Traffic.—All firms and individuals who import, sell, or trade in wheat are placed by the Wheat Act under the supervision of the Confederation. Their names must be inscribed in a register of commerce and they must make a declaration that they will conform to the regulations prescribed by the Wheat Law and in its functioning co-operate with the agents of the State.

Apart from the surveillance of the trade, the actual movement of wheat is government controlled from the time it enters the country until it is finally consumed. As regards domestic wheat, this superintendence commences with its delivery by the producer to the Confederation.

Feeding wheat is exempt from the foregoing regulations.

Protection of Consumers.—The Confederation is also enjoined to protect the interests of consumers of bread from exploitation at the hands of the millers, who have monopoly privileges as regards the sale of flour.

OPERATION OF LAW

The administration of the wheat control legislation is placed in the hands of a body known as the Federal Cereal Commission, to which reference has already been made and whose headquarters are in Berne. In superintending the wheat trade this organization co-operates closely with the customs authorities and other interested government services.

In order to meet the cost of paying an abnormal price for home-grown wheat, legislation was passed concurrently with the abandonment of the monopoly to raise the statistical tax on all imports.

The price paid by the Confederation for domestic wheat of the 1937 crop was 38.50 francs per 100 kilos (\$8.86 per 3.67 bushels) for first quality, 37.50 francs (\$8.63) for second quality and 36 francs (\$8.28) for third quality. The price to be paid for the current year has not yet been determined.

EXTENT OF DOMESTIC PRODUCTION

With the assistance of the legislation to which reference has been made, Switzerland has a domestic production which averages roughly 3,700,000 bushels per annum. The area devoted to wheat culture remains fairly steady from year to year, the average being 130,500 acres. The comparatively high yield per acre is made possible by the extensive employment of fertilizers.

RESTRICTED IMPORTS

At the close of 1931 Switzerland adopted legislation which empowered the Federal Council to limit imports by means of quota restrictions. By a decree

which became effective on May 12, 1932, wheat was placed under this law, and since then imports have only been allowed under permit from countries specified by the authorities.

The quotas granted to exporting countries are not published but are determined quarterly on an arbitrary basis, and confidential instructions as to the quantities they may import and from whom are issued to the grain trade. In fixing quotas the repatriation of Swiss credits frozen in cereal-producing countries is taken into consideration. In addition, efforts are made to effect compensation arrangements with grain-growing states whereby Swiss industrial products are taken in exchange for wheat.

The result of this has been the diversion of a large proportion of Switzerland's wheat imports to certain European countries, chief among which is Hungary.

EXTENT OF MARKET

Despite the subvention of domestic production, its scope is limited by the topography of the country. Switzerland is still, therefore, an important wheat importer, particularly on a per capita basis, as may be seen from the following table showing Swiss wheat imports during the years 1933 to 1937 and the first five months of the current year:—

Swiss Imports of Wheat

	1933	1934	1935	1936	1937	Jan.-May, 1938
	Figures in Metric Tons					
Total	509,776	461,004	480,108	463,936	438,615	162,204
Germany	20,478	19,437	370	54	47	15
France	20,626	19,887	9,221	15,562	5,071	.....
Portugal . . . . .	.....	.....	.....	8,051	.....	.....
Denmark . . . . .	.....	.....	.....	.....	.....	1,265
Sweden . . . . .	.....	.....	13,542	967	.....	.....
Latvia . . . . .	.....	.....	10,787	10	.....	.....
Lithuania . . . . .	.....	.....	7,599	.....	.....	.....
Czechoslovakia . . . . .	.....	.....	.....	928	28,921	6,248
Yugoslavia . . . . .	.....	1,425	.....	4,374	5,333	2
Hungary	50,686	91,051	77,540	143,424	93,320	29,111
Bulgaria	198	3,913	.....	.....	1,985	2,477
Roumania	1,027	196	58,638	50,051	63,330	3,069
Soviet Russia	13,059	22,528	1,382	11,597	14,192	28,777
Turkey . . . . .	.....	7,827	18,785	9,658	16,010	3
Iraq . . . . .	.....	.....	.....	.....	2,982	.....
Canada	240,305	86,879	57,368	155,470	68,421	23,462
United States	18,248	.....	5	5	25,982	35,699
Argentina	142,930	202,886	219,314	51,546	111,868	26,252
Australia	700	.....	.....	.....	377	945
Chile . . . . .	.....	1,957	2,676	12,226	.....	.....
Uruguay . . . . .	.....	.....	.....	.....	768	4,867

IMPORT DUTY AND CURRENCY SITUATION

There is an import duty of 0.60 franc per 100 kilos (approximately \$0.14 per 3.67 bushels) applicable to wheat from all countries.

There are no currency transfer restrictions, and payments are accordingly made in a regular manner.

FLOUR

There is the equivalent of a prohibition on the importation of flour into Switzerland. The market is reserved exclusively for Swiss millers by a government import monopoly. The "Loi Fédérale sur le Ravitaillement du Pays en Blé," which confers this authority on the Confederation, states that the Cereal Administration may authorize flour imports against the payment of a compensatory duty, the amount of which is fixed by the Federal Council. There is also a proviso that industries which might require flour for purposes

other than bread making may be allowed exemption from this levy. In practice there are no imports of bread-making flour.

The domestic milling industry is given this monopoly in view of the government supervision to which it has to submit and the storing without charge of part of the state wheat reserves. Mention was made of these features in the preceding section of this report on the wheat trade regulations prevailing in Switzerland.

NETHERLANDS OIL INDUSTRY AND IMPORTS OF CAKE AND MEAL

J. A. LANGLEY, CANADIAN TRADE COMMISSIONER

(One kilo equals 2.2 pounds; one metric ton equals 2,205 pounds; one florin or guilder equals approximately Can.\$0.56 at the current rate of exchange)

Rotterdam, July 18, 1938.—The extraction of oil from various types of seed, with the further processing of the residue, is undoubtedly one of the oldest industries of the Netherlands. Considerable progress has been made since the crushing was done by means of windmills until the present time when the work is done by oil-extraction plants with the latest of modern equipment. Dutch mills are still dependent on imports from various countries.

IMPORTS OF RAW MATERIALS

The importance of the Netherlands East Indies as a source of supply for many of these raw materials for crushing in Holland is illustrated by the fact that the Netherlands vegetable oil industry obtained from these islands during 1937 something over 39,920 metric tons of its total requirements of 46,378 tons of copra and 26,527 tons of the 30,001 tons of palm oil imported. During this period 510,140 tons of copra and 172,397 tons of palm oil were exported from that colony. In 1936 the Netherlands imported 76,600 tons of copra and 22,470 tons of palm oil of the 500,000 tons and 170,000 tons respectively of these commodities shipped from the Netherlands East Indies; during that year 50 per cent of the world's copra requirements and 36 per cent of the palm oil imported into the various world consuming centres originated in the East Indies.

OIL SEEDS

Following in importance after copra and palm oil, the raw materials imported into Holland in the form of oil seeds are: ground nuts, peeled, 143,160 metric tons; soya beans, 99,731 tons; ground nuts, not peeled, 35,146 tons; palm kernels, 34,139 tons; sesame seed, 27,609 tons; sunflower seed, 10,057 tons; and rapeseed, 4,805 tons. In the form of oil for refining are soya-bean oil, sunflower seed oil, coconut oil, cottonseed oil, and ground-nut oil. In addition to the extraction and refining processes, many oils are hardened, thus making them more suitable as raw materials for use in various allied industries. In this category may be included the refining and hardening of whale oil, which is used extensively in the margarine industry and exported to other world centres.

The greater part of the vegetable oil produced in Holland is consumed in the home or used as raw material in industry. The margarine and soap industries use an estimated amount of between 70,000 and 100,000 metric tons annually. Whatever tonnage is left over after the domestic demand has been taken care of is exported, and while most countries are shown in the trade returns as buyers, Austria, Great Britain, and India are by far the largest purchasers, being credited in 1937 with having imported 2,735 tons, 1,213 tons, and 793 tons respectively.

GLYCERINE

An important by-product of the industry is glycerine, the major part of which is exported in either the crude or refined state. During the last year 4,139 metric tons of crude and 226 tons of refined glycerine were imported and 3,114 tons of crude and 4,971 tons of refined were exported, which indicates a local exportable production of 3,720 metric tons.

FISH OILS

The bulk of the domestic requirements of fish oils is secured from British and French possessions in South America and from fish processed at sea, mainly on Dutch vessels. This is more clearly illustrated by the following table, which gives the imports and exports of fish oils during the year 1937. In the item "Fish Oils N.O.P." is included whale oil, which, as mentioned above, is used largely in the margarine industry and is also hardened. The exports of this item are included under the caption "Hardened Fish Oil":—

Netherlands Imports and Exports of Fish Oils, 1937

	Fish Oils n.o.p.		Hardened Fish Oils		Medicinal Cod Liver Oil	
	Imports	Exports	Imports	Exports	Imports	Exports
	Figures in Metric Tons					
Total 1937	79,661	3,462	3,524	48,958	1,007	151
1936	61,875	6,101	4,053	36,528	993	114
Belgium and Luxembourg	137	79	1	74	3	14
Great Britain	125	44	.....	42,203	29	8
Norway	1,125	7	403	23	973	1
Portugal	65	.....	.....	.....	.....	.....
Japan	1,334	.....	581	.....	.....	.....
British and French pos- sessions in S. America	26,872	.....	.....	.....	.....	.....
Argentina	33	.....	.....	.....	.....	.....
Poland and Danzig .. . . .	.....	3,076	2	1,277	.....	.....
France .. . . .	.....	126	.....	.....	.....	.....
Czechoslovakia .. . . .	.....	.....	299	76	.....	.....
Denmark .. . . .	.....	.....	2,156	.....	.....	.....
Austria .. . . .	.....	.....	.....	2,473	.....	.....
Switzerland .. . . .	.....	.....	.....	283	.....	.....
Palestine .. . . .	.....	.....	.....	245	.....	.....
Colombia .. . . .	.....	.....	.....	598	.....	.....
Newfoundland .. . . .	.....	.....	.....	341	.....	.....
British India .. . . .	.....	.....	.....	.....	.....	81
Manfg. at sea	49,899	.....	.....	.....	.....	.....

In the Netherlands the soap industry utilizes the fatty acids resulting from the process of vegetable oil refining, so that fish oils are not used extensively in the manufacture of soap. Whale oil is consumed in large quantities in the margarine industry. Cod liver oil is required for medicinal as well as for veterinary purposes, as are cod, shark liver, and sardine oils. Sperm oil is used for lubricating purposes, and cod and sardine oil in the tanning industry. According to quantity, whale oil is of the most importance, followed by sardine oil, which is used as a substitute for herring oil. There is an opening in this market for herring oil for hydrogenizing purposes, provided the c.i.f. price is lower than that for whale oil.

SOYA BEAN, LINSEED AND COTTON MEALS

The annual consumption in Holland of cake made from various types of oil-bearing seed is placed at between 550,000 and 600,000 metric tons, of which about two-thirds is supplied by the domestic oil-crushing industry.

Of this quantity extracted soya meal and ground soya cake amounted during the past year to about 100,000 tons, the consumption of linseed meal to about

295,000 tons, and that of cotton seed meal to about 1,760 tons, of which quantities there were imported:—

	Extracted Soya Meal and Ground Soya Cake	Linseed Cake and Meal	Cotton Seed Cake and Meal
	Figures in Metric Tons		
Belgium	334	1,020	.....
Norway	1,398	.....	.....
Sweden	2,314	.....	.....
Manchuria	7,322	.....	.....
United States	4,371	66,379	1,591
India .. . . .	.....	1,206	.....
Canada .. . . .	.....	1,183	.....
Argentina .. . . .	.....	2,482	66
Brazil.. . . .	.....	852	100
Total.. . . .	15,739	73,122	1,757

Dutch buyers prefer coarse extracted soya meal containing about 45 per cent protein and about 1 per cent fat to ground soya cake or expellents containing about 41 per cent protein and 5 per cent fat, as owing to the laxative effect of the fat contained in ground soya cake (hydraulically pressed soya cake meal), the latter has to be fed very carefully, whereas extracted soya meal can be fed in almost any quantity.

The meal obtained from ground soya cake and expellents is used solely in mixed feeding stuffs for poultry and so-called compound cakes for cattle, but the manufacturers prefer in this case to buy the cake and grind it themselves, as every dealer in the country is in possession of a grinding plant and wishes to make it as productive as possible.

The above meals when imported are subject to a duty of 1 per cent ad valorem which is levied on the c.i.f. value, and to a monopoly fee which varies from time to time and ranges up to 70 Dutch cents per 220 pounds, plus a fixed monopoly fee of \$0.28 per 220 pounds. Cake and meal manufactured in Holland from imported seed pay only the fixed monopoly fee of \$0.28 per 220 pounds.

In so far as linseed oilcake is concerned, importation is restricted by quota regulations based on the quantity imported from each exporting country during the period August 1, 1935, to July 31, 1936. According to these regulations, Canadian producers of linseed oilcake are entitled to ship to the Netherlands approximately 2,203 metric tons, but permits are granted only to those dealers in Holland who brought in Canadian linseed oilcake and meal during the basic period of the quota regulations.

The quantity of linseed used in the Netherlands industries varies from year to year, but imports average between 350,000 and 380,000 metric tons per annum. Practically all the linseed cake produced is consumed in the country, and additional supplies are imported chiefly from the United States and British India. Of the oil output, only about 30 per cent is taken by the home market, the remaining 70 per cent being exported mainly to Germany, Great Britain, Finland, Switzerland, and the Netherlands East Indies, and in many cases re-exported to other consuming centres. In Holland linseed oil is used chiefly in the manufacture of soft soap, lacquer, varnish, ready-mixed paints, linoleum, and some other articles of minor importance, while the cake is fed to cattle combined with grain, bonemeal, and other ingredients.

Imports of flaxseed are dutiable at the rate of 1 per cent ad valorem levied on the c.i.f. value, while linseed oil is subject to a duty of 1 per cent ad valorem, plus \$0.39 per 220 pounds.

FOREIGN TRADE OF YUGOSLAVIA IN 1937

J. C. DEPOCAS, ASSISTANT TRADE COMMISSIONER

(One dinar at par equals 1·76 cent Canadian, but normal quotations fluctuate around 2·36 cents Canadian; one metric ton equals 2,205 pounds; one kilo equals 2·2 pounds. Figures between parentheses are for corresponding previous periods.)

Milan, July 25, 1938.—Exports from Yugoslavia amounted to 4,557,395 metric tons in 1937 as compared with 2,868,221 tons in 1936, an increase of 60 per cent in volume. By value the export trade increased from 4,376,152,873 dinars in 1936 to 6,272,402,889 dinars, or 43 per cent. The figures for the past year are the highest, both in volume and value, since 1930, when the corresponding export figures were 4,733,223 tons and 6,780,206,000 dinars.

Imports also show an increase in both volume and value, from 971,328 tons to 1,104,950 tons, an increase of 14 per cent, and from 4,077,009,616 dinars to 5,223,771,783 dinars, or 28 per cent. The volume of imports was greater than in any previous year since 1931, when it totalled 1,133,110 tons, while in values it was higher than in any years since 1930, when it amounted to 6,960,113,191 dinars.

TRADE BALANCE

The ratio of the value of total exports to total imports increased from 107·34 in 1936 to 119·84 in 1937, a figure which probably has never been reached since the present constitution of the country.

The trade balance by volume passed from 1,896,893 tons in favour of exports to 3,452,445 tons, and by value from 299,143,257 dinars to 1,038,631,106 dinars, which is twice the highest figure reached during any one of the last ten years.

PRINCIPAL MARKETS

The ten leading purchasing countries of Yugoslavian products during the last two years were: Germany with 1,361,294,000 dinars (1,039,059,000 dinars in 1936), or 21·70 per cent of the total exports (23·74); Austria, 848,039,000 (630,316,000) dinars, or 13·52 (14·63) per cent; Italy, 587,067,000 (137,192,000) dinars, or 9·36 (3·13) per cent; Belgium, 518,801,000 (226,840,000) dinars, or 8·27 (5·18) per cent; Czechoslovakia, 493,030,000 (539,866,000) dinars, or 7·86 (12·34) per cent; United Kingdom, 464,620,000 (431,730,000) dinars, or 7·41 (9·87) per cent; France, 339,337,000 (86,283,000) dinars, or 5·41 (1·97) per cent; United States, 290,919,000 (214,027,000) dinars, or 4·64 (4·89) per cent; Hungary, 222,936,000 (164,554,000) dinars, or 3·56 (3·76) per cent; and Greece, 190,807,000 (246,387,000) dinars, or 3·04 (5·63) per cent.

The leading purchasing countries in 1931 were: Italy taking 25 per cent; Czechoslovakia, 15·49 per cent; Austria, 15·15 per cent; and Germany, 11·31 per cent. In 1934 Italy was still leading with 20 per cent, followed by Austria with 16·36 per cent, Germany with 15·42 per cent, and Czechoslovakia with 11·28 per cent. Since 1935 Germany has remained at the top of the list with about the same share of the trade.

PRINCIPAL SUPPLYING COUNTRIES

The ten principal supplying countries were: Germany with 1,694,470,000 (1,087,640,000) dinars, or 32·38 (26·68) per cent of total imports; Czechoslovakia, 580,207,000 (625,839,000) dinars, or 11·09 (15·35) per cent; Austria, 538,426,000 (419,978,000) dinars, or 10·29 (10·30) per cent; Italy, 429,834,000 (101,676,000) dinars, or 8·21 (2·49) per cent; United Kingdom, 409,141,000 (346,910,000) dinars, or 7·82 (8·51) per cent; United States, 312,231,000 (260,-

042,000) dinars, or 5.9 (6.38) per cent; Hungary, 140,839,000 (145,581,000) dinars, or 2.69 (3.57) per cent; British Indies, 117,900,000 (76,878,000) dinars, or 2.25 (1.89) per cent; Switzerland, 92,813,000 (102,888,000) dinars, or 1.77 (2.52) per cent; and Roumania, 91,573,000 (76,825,000) dinars, or 1.75 (1.89) per cent.

Except for 1933 and 1934, the ranking remained the same for the first five nations, with Germany steadily increasing her share each year, which may reach 40 per cent in 1938, owing to the absorption of Austria.

COMMODITIES EXPORTED

The leading commodities exported from Yugoslavia during 1937 were, as usual, lumber, wheat, and maize. Lumber exports amounted to 974,560 tons valued at 887,773,141 dinars, which represented 21.39 per cent of the volume and 14.15 per cent of the value of the total exports. Maize exports totalled 725,196 tons at 698,939,045 dinars, or 15.91 per cent and 11.14 per cent respectively; live animals, 759,242,795 dinars or 12.09 per cent; wheat, 318,035 tons at 561,389,331 dinars or 6.98 per cent and 8.95 per cent.

Other items of importance were fresh meat amounting to 19,337 tons at 234,797,914 dinars, or 3.74 per cent of the value of exports; hemp, 24,322 tons at 205,559,296 dinars, or 3.28 per cent; raw copper, 491,306,415 dinars, or 7.83 per cent; other ores, 555,397,209 dinars, or 8.85 per cent.

COMMODITIES IMPORTED

In volume, the leading articles imported were coal of all kinds amounting to 412,640 tons, representing 37.35 per cent of total imports; iron, steel, and manufactures thereof, 130,642 tons, or 11.82 per cent; petrol, mineral oils, etc., 116,057 tons, or 10.50 per cent; alimentary products, 74,020 tons, or 6.07 per cent; cotton and manufactures thereof, 43,956 tons, or 3.98 per cent.

In terms of value, cotton and cotton products imported amounted to 1,077,120,930 dinars, or 20.58 per cent of total value; iron, steel, and manufactures thereof (but not including machinery), 583,671,432 dinars, or 11.15 per cent; wool and woollen products, 505,710,768 dinars, or 9.66 per cent; coal, etc., 142,715,936 dinars, or 2.73 per cent; mineral oils, 105,728,459 dinars, or 2.02 per cent; machinery, instruments, and apparatus, 366,245,872 dinars, or 7 per cent; electrical articles, 182,952,976, or 3.50 per cent; vehicles of all kinds, 185,427,274 dinars, or 3.54 per cent.

TRADE WITH CANADA

Canada ranks fifty-third on the list of countries purchasing Yugoslavian goods. Total exports to Canada were valued at 902,000 dinars as against 48,000 dinars in 1936.

The principal articles which Canada buys from Yugoslavia are hops amounting to 23 tons at 508,156 dinars; cigarette paper in rolls, 11 tons at 201,190 dinars; beans, 40 tons at 98,000 dinars; medicinal plants, 34 tons at 61,000 dinars; and codein, 2.8 kilos at 14,900 dinars.

As a supplying country, Canada ranks sixty-fifth with 341,000 dinars as against 479,000 dinars in 1936, a decrease of 28 per cent. The principal products shipped from Canada are lumber for building purposes, fine, unwrought but sawn, which amounted to 245 tons at 193,848 dinars; colouring earth (probably iron oxide), 11½ tons at 49,516 dinars; canned meats, 499 kilos at 25,293 dinars; tires and tubes, 408 kilos at 11,571 dinars; and many other articles, including, in very small quantities, furs, machinery, cotton goods and dresses.

It will be noted that two of the products imported from Canada are produced on a large scale in Yugoslavia.

The favourable visible balance passed from 431,000 dinars in favour of Canada in 1936 to 561,000 dinars in favour of Yugoslavia in 1937.

In considering these statistics, it must be remembered that when the true originating or purchasing country is unknown the merchandise is registered as exports from or imports to the country in which the port of transshipment is situated. From this it would appear that the trade with the neighbouring countries, especially those with seaports, is greater than it is in reality.

JAPANESE GRAIN CROP ESTIMATE

A. K. DOULL, ASSISTANT TRADE COMMISSIONER

Tokyo, July 13, 1938.—According to an estimate of the Department of Agriculture and Forestry on July 1, this year's wheat crop is expected to yield 49,810,254 bushels, which will be an increase of 0·5 per cent over last year and an increase of 9 per cent if compared with the last five years' average crop. The barley and rye crops are estimated at 35,270,609 and 28,385,683 bushels respectively, showing an increase of 3·4 per cent for barley but a decrease of 4 per cent for rye when compared with last year's actual crops. When compared with the last five years' average crop this year's estimate for barley will show an increase of 3·9 per cent while that of rye will show a decrease of 4·4 per cent.

There were 1,776,561 acres of wheat under cultivation this year, 872,558 acres of barley, and 1,024,507 acres of rye, showing an increase of 0·1 per cent for wheat, 7·9 per cent for barley, and a decrease of 2·6 per cent for rye when compared with last year.

Shortly before the Department of Agriculture and Forestry gave out their estimate a great part of eastern Japan suffered from an almost unprecedented rainfall which lasted about three days, causing serious floods. About a week later the Kobe and Osaka districts in western Japan suffered even more severely from the same causes. The damage done to crops is not yet known but it is probable that the above estimate will have to be reduced.

JAPANESE SPRING COCOON CROP

A. K. DOULL, ASSISTANT TRADE COMMISSIONER

Tokyo, July 14, 1938.—According to the Department of Agriculture and Forestry, the total production of spring silk cocoons throughout Japan is estimated at 317,168,828 pounds, of which 249,911,162 pounds are white and 67,257,666 pounds are yellow.

In comparison with last year this estimate represents a decrease of 59,012,185 pounds or 15·7 per cent. This decrease is attributed chiefly to labour shortage due to the conflict in China, but is also due to a shrinkage in the volume of gatherings of silk worms from egg cards because of unfavourable mulberry leaf conditions and adverse climatic conditions.

The production of spring silk cocoons during the last five years has been as follows: 1933, 413,507,296 pounds; 1934, 400,043,974; 1935, 365,207,908; 1936, 342,191,582; 1937, 376,181,013; 1938 (estimate), 317,168,828 pounds.

IMPORTS INTO THE UNITED STATES OF PRODUCTS UNDER QUOTA PROVISIONS OF THE TRADE AGREEMENT

The following table, prepared by the Canadian Trade Commissioner's office at New York from preliminary figures issued by the Treasury Department at Washington, shows the standing of the quotas provided for under the Canada-United States Trade Agreement up to July 2, 1938. The percentage of quota used by Canada up to July 3, 1937, is likewise given for comparison purposes:—

	Total of Quota	Reduction in Duty	Used by Canada		1937 Per Cent to July 3 (Quota filled in June)
			1938 Total Amount	Per Cent to July 2	
Cattle (700 lbs. or more) ..	155,799 head	3 to 2 cts. per pound	23,312	14.9	55.4
Calves (less than 175 lbs.)..	51,933 head	2½ to 1½ cts. per pound	26,347	50.7	98.9 (Quota filled in June)
Dairy cows	20,000 head	3 to 1½ cts. per pound	2,676	13.4	15.4
Cream	1,500,000 gallons	56% to 35 cts. per gallon	4,584	0.3	3.9
Seed potatoes	750,000 bushels	75 to 60 cts. per 100 lbs., Dec. 1 to end of February. 45 cts. Mar. 1 to Nov. 30	515,823	68.8	80.9
Unmanufactured lumber (Douglas fir and Western hemlock)	250,000 M ft. b.m.	\$1.00 to 50 cts. per M ft. b.m. duty \$3.00 to \$1.50 tax.	82,462 M ft. b.m.	33.0	24.6
Red cedar shingles	916,246 squares	Free	Quota filled April 26th	....	98.8

Imports of heavy cattle from Mexico from January 1 to July 2, 1938, totalled 24,447 head or 15.8 per cent of the quota; thus 47,759 head of cattle of 700 pounds or more, representing 30.7 per cent of the total quota, have been imported up to July 2. Imports of calves have all been from Canada, with the exception of 2,048 head from Mexico, amounting to 4 per cent of the quota.

TENDERS INVITED

New Zealand

Copies of specifications have been received from Mr. W. F. Bull, Canadian Trade Commissioner at Auckland, for equipment required by the Public Works Department, Wellington. These specifications are open for inspection at the Department of Trade and Commerce, Ottawa. Tenders should be addressed to the Secretary, Public Works Supplies and Tenders Committee, Wellington, in accordance with these specifications:—

Particulars are as follows:—

Public Works Department.—Section 460, Mangahao Scheme, Marton substation: manufacture, supply, and delivery of 110 kv. outdoor steel work and switchgear, to specifications and drawings (tenders close January 24, 1939).

TARIFF CHANGES AND CUSTOMS REGULATIONS

Eire

CONTROL OF IMPORTS OF SPARK PLUGS

Mr. George Shera, of the office of the Canadian Trade Commissioner, Dublin, advises that, by order of the Executive Council of Eire, a further import quota and quota period have been announced for importation into Eire of spark plugs and component parts thereof. The amount fixed is 4,000 articles for the period September 1, 1938, to February 28, 1939, as against 6,500 articles for the previous five-month period.

MAIZE MEAL MIXTURE REGULATIONS

Mr. George Shera, of the office of the Canadian Trade Commissioner in Dublin, advises under date July 27, 1938, that, by order of the Minister for Agriculture, the proportion by weight of home-grown cereals to be included in maize meal mixture, as from August 1, 1938, shall be not less than 10 per cent, as against $16\frac{2}{3}$ per cent previously.

Maize millers who use oat kernels only in the manufacture of maize meal mixture are required, as from August 1, 1938, to incorporate $7\frac{1}{2}$ per cent by weight of such kernels in the mixture, as against $12\frac{1}{2}$ per cent previously.

The further reduction in the amount of home-grown cereals to be used is due to the still more diminished supplies of local oats and barley now available.

Syria and the Lebanon

INCREASED CUSTOMS DUTIES

Mr. Henri Turcot, Canadian Trade Commissioner at Cairo, advises that by virtue of a Syrian decree, effective May 7, some specific duties in the Syrian customs tariff have been increased by 20 per cent. Commodities affected by this change include footwear, cotton socks and stockings, silk hosiery, tires and tubes, copper, motor cars, and cinematograph equipment. Most Syrian duties are levied on an ad valorem basis, and these remain unchanged. Wheat and flour are among the commodities subject to a specific duty which are excepted from the new rate.

This increase is in addition to a former increase of 20 per cent reported in *Commercial Intelligence Journal* No. 1768 (December 18, 1937), page 1042.

China

CONSULAR INVOICES

A notification issued at Shanghai on June 1, 1938, to the effect that "all regulations concerning the consular invoice shall forthwith be abolished" was in line with procedure adopted at Tientsin on March 2 of this year. These notifications relate to consular invoices for shipments to Shanghai or North China ports such as Tientsin and Tsingtao. It should, however, be borne in mind that the National Government of China has not revoked its requirements in this connection. Consular invoices are still required for goods entering southern ports, such as Canton, under Chinese control. It is possible that difficulty might arise if goods shipped to Shanghai without consular invoices were later transhipped to southern ports. It is therefore suggested, in order to avoid difficulties over transshipment, that when consular invoices are not furnished, Canadian exporters to China request buyers to state with each order if a consular invoice is required.

FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING AUG. 8, 1938

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, August 8, 1938, and for the week ending Monday, August 1, 1938, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending August 1	Nominal Quotations in Montreal Week ending August 8	Official Bank Rate
Austria	Schilling	.1407	. . . . .	. . . . .	—
Belgium	Belga	.1001	\$.1695	\$.1697	3
Bulgaria	Lev	.0072	.0123	.0125	6
Czechoslovakia	Koruna	.0296	.0346	.0346	3
Denmark	Krone	.2680	.2200	.2188	4
Finland	Markka	.0252	.0218	.0217	4
France	Franc	.0392	.0277	.0275	2½
Germany	Reichsmark	.2382	.4028	.4025	4
Great Britain	Pound	4.8666	4.9288	4.9025	2
Greece	Drachma	.0130	.0090	.0090	6
Holland	Guilder	.4020	.5500	.5476	2
Hungary	Pengo	.1749	.2978	.2991	4
	Unofficial		.1972	.1973	—
Italy	Lira	.0526	.0527	.0528	4½
Yugoslavia	Dinar	.0176	.0233	.0232	5
Norway	Krone	.2630	.2477	.2463	1½
Poland	Zloty	.1122	.1888	.1891	4½
Portugal	Escudo	.0442	.0445	.0445	4-4½
Roumania	Leu	.0060	.0073	.0073	3½
Spain	Peseta	.1930	.0577	.0577	5
Sweden	Krona	.2680	.2541	.2527	2½
Switzerland	Franc	.1930	.2297	.2296	1½
United States	Dollar	1.0000	1.0028	1.0037	1
Mexico	Peso	.4985	.1991	.1987	3
Cuba	Peso	1.0000	1.0021	1.0030	—
Guadeloupe	Franc	.0392	.0277	.0275	—
Jamaica	Pound	4.8666	4.9388	4.9125	—
Martinique	Franc	.0392	.0277	.0275	—
Other British West Indies	Dollar	1.0138	1.0268	1.0212	—
Argentina	Peso (Paper)	.4245	.3286	.3296	3½
	Unofficial		.2607	.2610	—
Brazil	Milreis (Paper)	.1193	.0587	.0586	—
British Guiana	Dollar	1.0138	1.0268	1.0212	—
Chile	Peso	.1217	.0518	.0519	3-4½
	Unofficial		.0401	.0402	—
Colombia	Peso	.9733	.5634	.5647	4
Peru	Sol	.2800	.2206	.2208	6
Venezuela	Bolivar	.1930	.3109	.3112	—
Uruguay	Peso	1.0342	.6497	.6451	—
South Africa	Pound	4.8666	4.9227	4.8956	3½
Egypt	Pound (100 Piastres)	4.9431	5.0542	5.0287	—
China (Shanghai)	Dollar	.....	.1638	.1628	—
Hongkong	Dollar	.....	.3081	.3063	—
India	Ruppee	.3650	.3684	.3664	3
Japan	Yen	.4985	.2873	.2858	3.29
Java	Guilder	.4020	.5500	.5476	—
Siam	Baht (Tical)	.4424	.4523	.4497	—
Straits Settlements	Dollar	.5678	.5752	.5716	—
Australia	Pound	4.8666	3.9431	3.9214	3
New Zealand	Pound	4.8666	3.9740	3.9530	2

The Dominion Bureau of Statistics has supplied the following note:—

The British pound continued under pressure but recession was less pronounced as the week closed and the net decline was only slightly in excess of 2 cents, to \$4.9017. Although gold at London mounted to 143s. 3d., sharp increases in dollar rates placed them on levels at which shipments to the United States could be profitably made. The French franc followed much the same course as sterling. From an opening of 2.77 cents on August 2, the franc receded to 2.75 cents by August 3, recovered slightly, and then moved down to close at 2.75 cents. Premiums on the United States dollar rose from $\frac{1}{12}$ on August 2 to $\frac{1}{12}$ of 1 per cent on the 5th, and then dropped back to $\frac{25}{64}$ at the close of the week.

TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

Secretary, Board of Trade—

Saint John, N.B.
Halifax, N.S.
Quebec, P.Q.
Montreal, P.Q.
Toronto, Ont.
Chatham, Ont.

Brantford, Ont.
Kitchener, Ont.
Stratford, Ont.
Woodstock, Ont.
St. Mary's, Ont.
Portage la Prairie, Man.

St. Boniface, Man.
Winnipeg, Man.
Vancouver, B.C.
New Westminster, B.C.

Secretary, Chamber of Commerce—

Sherbrooke, P.Q.
Kingston, Ont.
Oshawa, Ont.
Belleville, Ont.

Peterborough, Ont.
London, Ont.
St. Catharines, Ont.
Hamilton, Ont.

Victoria, B.C.
Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

Secretary, Canadian Manufacturers Association—

Toronto, Ont.
Montreal, P.Q.

Winnipeg, Man.
Edmonton, Alta.

Vancouver, B.C.
Victoria, B.C.

Director, Trade Extension, Victoria, B.C.

Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.

Commodity	No.	Location of Inquirer	Purchase or Agency
Foodstuffs and Feedstuffs—			
Flour.....	446	Bridgetown, Barbados.....	Agency.
Oats.....	447	Bridgetown, Barbados.....	Purchase or Agency.
Miscellaneous—			
Bridge Table Covers.....	448	Cape Town, South Africa.	Purchase.
Cardboard for Beer Mats.....	449	Antwerp, Belgium.....	Purchase.
Newsprint.....	450	Hanoi, French Indo-China	Purchase.
Newsprint in Sheets.....	451	Waterford, Ireland.....	Purchase.
Surgical Rubberware.....	452	Sydney, Australia.....	Agency.
Tennis Racquet Frames of Wood.	453	The Hague, Holland.....	Agency.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Montreal

To Liverpool.—Montrose, Aug. 16; Duchess of York, Aug. 21; Duchess of Atholl, Aug. 26; Duchess of Bedford, Sept. 4; Duchess of Richmond, Sept. 10—all Canadian Pacific; Antonia, Aug. 26; Andania, Sept. 9—both Cunard-White Star Line; Svane fjell, Aug. 27; Vigor, Sept. 17—both Fjell Line.

To London.—Beaverbrae, Aug. 19; Beaverhill, Aug. 26; Beaverburn, Sept. 2; Beaveraldale, Sept. 9; Beaverford, Sept. 16—all Canadian Pacific; Aurania, Aug. 19; Ascania, Aug. 26; Ausonia, Sept. 2; Alaunia, Sept. 9—all Cunard-White Star Line; Tindefjell, Aug. 24; Ravnfjell, Sept. 7; Rutenfjell, Sept. 21—all Fjell Line.

To Manchester.—Manchester Port, Aug. 18; Manchester Commerce, Aug. 25; Manchester City, Sept. 1; Manchester Citizen, Sept. 8; Manchester Regiment, Sept. 15; Manchester Division, Sept. 22—all Manchester Line; Svaneffjell, Aug. 27; Vigor, Sept. 17—both Fjell Line.

To Southampton.—Duchess of Richmond, Aug. 24; Montrose, Sept. 8—both Canadian Pacific.

To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.—New York City, Aug. 22; Boston City, Sept. 9—both Bristol City and Dominion Lines; Norwegian, Aug. 31; Dorelian, Sept. 17—both Cunard-Donaldson and Dominion Lines.

To Glasgow.—Athenia, Aug. 19; Delilian, Aug. 26; Letitia, Sept. 4; Sulairia, Sept. 9—all Donaldson-Atlantic Line.

To Newcastle and Leith.—Cairnmona (also calls at Dundee), Aug. 17; Cairnross, Aug. 24; Cairnvalona, Aug. 31; Cairnglen, Sept. 7; Cairnesk (also calls at Dundee), Sept. 21—all Cairn-Thomson Line.

To Aberdeen and Hull.—Bassano, Aug. 19; Consuelo, Sept. 2—both Ellerman's Wilson Line.

To Dublin and Belfast.—Dunaff Head, Head Line, Aug. 21 (cargo accepted for Cork and Londonderry).

To Hamburg and Bremen.—Beaverburn, Sept. 2; Beaverhill, Sept. 30—both Canadian Pacific (do not call at Bremen); Koenigsberg, Hamburg-American Line, Aug. 26.

To Copenhagen, Gothenburg, Stockholm and Helsingfors.—Lagaholm, Swedish-America-Mexico Line, Aug. 26.

To Norwegian Ports.—Svaneffjell, Aug. 27; Vigor, Sept. 17—both Fjell Line.

To Antwerp and Havre.—Beaverbrae, Aug. 19; Beaverhill, Aug. 26; Montrose, Sept. 8; Beavertale, Sept. 9; Beaverford, Sept. 16—all Canadian Pacific (do not call at Havre); August, Aug. 28; Hada County, Sept. 18—both County Line; Tindeffjell, Aug. 24; Ravneffjell, Sept. 7; Rutenffjell, Sept. 21—all Fjell Line (do not call at Havre).

To Rotterdam.—Grey County, Aug. 21; Flint 2, Sept. 2; Lista, Sept. 23—all County Line; Tindeffjell, Aug. 24; Ravneffjell, Sept. 7; Rutenffjell, Sept. 21—all Fjell Line.

To Marseilles, Genoa, Leghorn, Naples, Messina, Palermo, Gibraltar and Lisbon.—Capo Lena, Aug. 27; Capo Olmo, Sept. 12—both Capo Line (will also call at Cadiz and/or Seville and/or Casablanca if sufficient cargo offers).

To St. John's, Nfld.—Anna, Sept. 1; Bencas, Sept. 19—both Shaw SS. Co. Ltd. (also call at Harbour Grace, Bay Roberts, Carbonear and Port Union; will touch at Newfoundland south coast ports as cargo offerings warrant); Belle Isle, Newfoundland-Canada SS. Ltd., Aug. 26, Sept. 9 (also calls at St. Pierre-Miquelon).

To Cornerbrook, Nfld.—New Northland, Aug. 15 and 29; Gaspesia, Aug. 24—both Clarke SS. Co.

To Puerto Rico, Barbados, Trinidad and Demerara.—Colborne, Aug. 18; Cornwallis, Sept. 1; Chomedy, Sept. 15—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To Hamilton, Nassau, Kingston and Belize.—Lady Somers, Aug. 17; Cathcart, Aug. 26; Lady Rodney, Aug. 31; Cavelier (calls at Kingston only), Sept. 9—all Canadian National.

To Bermuda, St. Kitts, Antigua, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Heroy, Aug. 26; Ary Lensen, Sept. 9; a steamer, Sept. 23—all Ocean Dominion SS. Corp. (call at Guadeloupe and Martinique if sufficient cargo offered).

To Santos and Buenos Aires.—Tercero, International Freighting Corp., about Sept. 3 (will also call at Rio de Janeiro if sufficient inducement warrants).

To Brisbane, Sydney, Melbourne and Adelaide.—Kaikoura, Montreal Australia New Zealand Line, Sept. 3 (will also call at Geelong).

To Auckland, Wellington, Lyttelton and Dunedin.—City of Glasgow, Montreal Australia New Zealand Line, Aug. 30.

To Cape Town, Port Elizabeth, East London and Durban.—Mattawin, Elder Dempster Lines Ltd., Aug. 27 (also calls at Freetown, Lourenco Marques and Beira).

To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Madras, Rangoon, Calcutta and Singapore.—City of Perth, Aug. 26; a steamer, Sept. 11—both Canada-India Service.

From Quebec

To Southampton.—Empress of Australia, Aug. 19, Sept. 3 and 17; Empress of Britain, Aug. 27 and Sept. 10—both Canadian Pacific.

From Halifax

To Liverpool.—Newfoundland, Aug. 16 and Sept. 20; Nova Scotia, Sept. 4—both Furness Line; Manchester Brigade, Sept. 10; Manchester Exporter, Sept. 26—both Manchester Line.

To Manchester.—Manchester Regiment, Sept. 18; Manchester Port, Oct. 2—both Manchester Line.

To St. John's, Nfld.—Fort Townshend, Aug. 15 and 29; Fort Amherst, Aug. 22 and Sept. 5—both Furness-Red Cross Line (also call at St. Pierre); Newfoundland, Aug. 16; Nova

Scotia, Sept. 4—both Furness Line; Portia, Newfoundland Rys. and SS. Co., Aug. 17 and 31; Magnhild (also calls at St. Pierre and Newfoundland outports), Newfoundland-Canada SS. Ltd., Aug. 22 and Sept. 5.

To Kingston, Jamaica.—Cavelier, Aug. 15 and Sept. 12; Cathcart, Aug. 29—both Canadian National.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Drake, Aug. 25; Lady Nelson, Sept. 8; Lady Hawkins, Sept. 22—all Canadian National; Maud, Aug. 17; Heroy, Aug. 31; Ary Lensen, Sept. 14—all Ocean Dominion SS. Corp. (call at Guadeloupe and Martinique if sufficient cargo offered but not at Nevis or Montserrat).

To Puerto Rico, Barbados, Trinidad and Demerara.—Colborne, Aug. 22; Cornwallis, Sept. 5; Chomedy, Sept. 19—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To Santiago (Cuba) and Kingston (Jamaica).—Kirsten B., Aug. 24; Lutz, Sept. 7—both Pickford & Black Ltd. (also call at Jamaican outports as cargo offers).

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From Saint John

To Liverpool and Manchester.—Manchester Producer, Aug. 16; Manchester Brigade, Sept. 7—both Manchester Line.

To London, Newcastle, Aberdeen and Hull.—Kelso, Ellerman's Wilson Line, Sept. 9.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Drake, Aug. 17; Lady Nelson, Aug. 31; Lady Hawkins, Sept. 14—all Canadian National.

To Kingston and Jamaican Outports.—Harboe Jensen, Aug. 19 and Sept. 2; Crawford Ellis, Aug. 26—both United Fruit Co. (cargo accepted for Caribbean, Central and South American ports with transshipment at Kingston).

From Vancouver

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To London, Liverpool and Rotterdam.—Delftdyk (calls Glasgow), Aug. 20; Drechtdyk, Sept. 3; Lochavon (calls Glasgow), Sept. 17—all North Pacific Coast Line.

To Antwerp, Hamburg and Bremen.—Seattle, Aug. 28; Tacoma, Sept. 12—both Hamburg-American Line; Este, North German Lloyd Line, Sept. 2.

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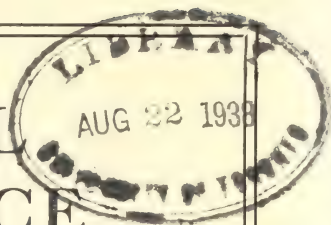
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No. 1803



**Cargo of Timber from Vancouver being discharged at
Melbourne, Australia**

Courtesy, Sun News-Pictorial

ISSUED BY AUTHORITY OF
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE
JAMES G. PARMELEE, DEPUTY MINISTER

CONTENTS

The Ceylon Market.....	265
Points for Exporters to Australia.....	272
Australian Wheat and Flour.....	278
Canada's Domestic Exports to the United States of Principal Products affected by the Canada-United States Trade Agreement: July and Seven Months ended July, 1937 and 1938	280
Imports into the United States of Products under the Quota Provisions of the Trade Agreement.....	284
Economic Conditions in South Africa, Second Quarter, 1938....	284
London Tomato Situation.....	286
Trade Commissioners on Tour.....	287
Switzerland's Trade with Canada in 1937.....	287
Market for Feedstuffs in the Netherlands.....	292
Wheat and Flour Trade Regulation in Norway.....	296
Market for Honey in Belgium.....	302
Economic Conditions in Brazil, January to June, 1938.....	303
Economic Situation in Argentina.....	307
Market for Jute in Peru and Chile.....	308
Trade of the Philippines in 1937.....	310
Tariff Changes and Customs Regulations.....	312
Foreign Exchange Quotations.....	315
Trade Inquiries for Canadian Products.....	316
Proposed Sailings from Canadian Ports.....	316
Commercial Intelligence Service.....	319

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Vol. LIX

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No. 1803

THE CEYLON MARKET

PAUL SYKES, CANADIAN TRADE COMMISSIONER

I. Economic Situation

(One silver rupee (Rs.1) equals \$0.37 Canadian)

Calcutta, June 28, 1938.—The island of Ceylon lies off the southeast coast of India and has an area of 25,332 square miles, about half the extent of England and Scotland and approximately the same as Holland and Belgium combined. From north to south the island is 270 miles long while its greatest width is 140 miles. It is separated from India at its northern extremity by Palk's strait, which is crossed by a series of low islands and sandbanks. The centre of the island is mountainous while broad plains extend inland from its coasts. The highest point in the island is 8,292 feet above sea level.

CLIMATE

Ceylon enjoys a wide range of climatic conditions as a result of variations in elevation above sea level and the bi-annual monsoons (prevailing winds). The coastal areas are generally hot, particularly in the northern and eastern parts of the island, but the maximum temperature recorded to date is 103·7°F. At varying altitudes the average temperatures show appreciable declines from those in the low districts and, whereas recent records of mean temperatures in the port of Trincomalee show an average of 82°F., those for Nuwara Eliya, situated at an altitude of 6,000 feet, are no more than 59°F. The variations in temperature, as between the seasons in practically all parts of Ceylon, are unusually small.

Rainfall shows distinct differences in various parts of the island. In some northern districts it is no more than 40 inches per year but parts of the interior experience an annual average of over 200 inches. The rainy seasons vary according to different locations. In some instances precipitation is heaviest during April and May, while in others October and November are the wettest months.

HISTORY

Although much of the population is to be described as Sinhalese, the northern parts of the island are populated by the descendants of several Indian races, particularly Tamils.

The first occasion on which Ceylon was influenced by European policies of trade and colonization was in the sixteenth century when Portugal established several settlements along the coast. These were later captured by Dutch expeditions, who in turn were succeeded by British naval and military forces. The island was incorporated in the Madras Presidency in 1796 and six years later was constituted a separate Crown Colony. In 1815 the separate kingdom of

Kandy, which had remained independent, was overthrown and the island has since that time remained a complete unit of the Empire.

GOVERNMENT

As a Crown Colony, Ceylon has been governed by a Governor appointed by the King, assisted by executive and legislative councils. A wider measure of self-government than provided under this system was accorded by a new constitution which came into force in 1931 and under the terms of which the executive and legislative councils were abolished and a State Council established instead. The latter comprises three official members, fifty elected members, and a maximum of eight members nominated by the Governor. The State Council is divided into seven executive committees, the chairman of each of which is appointed as minister in charge of the subjects or interests of his committee, such as agriculture, education, etc. Several other matters including finance are reserved for the particular attention of the official members of the Council.

There is, as well, the board of ministers consisting of the seven representatives of executive committees and of the three official members of the Council.

The Governor has wide powers, particularly in so far as finance and the passage of essential legislation are concerned, and in cases of urgency, may assume control of any department of the government.

SELF-GOVERNMENT

Extension of the principle of self-government has been carried to the point in Ceylon where, in provinces and country districts, the government agent (a senior civil servant) is assisted and advised by a "headman," a representative of the population in such areas, and where towns and villages are controlled by local governments of various types.

Ceylon is fortunate in its possession of a constitution which allows and encourages the extension of democratic principles. Since its inception there have been occasions when unfamiliarity with their intent has raised minor difficulties, but of the eventual success of the present system of government there can be little doubt.

POPULATION

The population of Ceylon is slightly less than 5,500,000. Of this number, Sinhalese make up 3,500,000, Tamils 1,500,000, Moors 325,000, Burghers and Eurasians 32,000, Malays 15,000, and Europeans 10,000. The city of Colombo had an estimated population of 284,000 in 1931, the other principle centres of population being Jaffna (46,000), Galle (38,000), Kandy (37,000), and Maratuwa (32,000).

The bulk of Ceylon's population is engaged in agricultural work, there being little industrial activity in the colony apart from that which is essentially a part of agricultural production. It follows more or less naturally that the standard of living of the native population is a comparatively low one and that the cash income of the average individual is small.

THE MALDIVE ISLANDS

The Maldive Archipelago, a series of coral islands and atolls, situated some 400 miles to the southwest of Ceylon, is a dependency of the colony. The Sultan of the Maldives owes allegiance to the King and enjoys his protection. There are some 80,000 people in the Maldives, mostly fishermen and traders.

NATURAL RESOURCES

The economic value of Ceylon's agricultural land is so greatly in excess of that of other natural resources that the mines, fisheries, and forests must be classed as of minor importance only. Owing to geographical location and to soil and climatic conditions, Ceylon is admirably adapted to the production of tea, rubber, coconuts, rice, and a variety of less important crops which not only provide food and materials for the population but primary and secondary goods for consumption throughout the world. The fisheries are as yet undeveloped, although in past years the pearling industry was of importance. Mineral resources consist mainly of deposits of plumbago (graphite) and of various precious and semi-precious stones. Ceylon's forests are extensive and, in the case of some woods, valuable, but have not to date been developed extensively.

AGRICULTURE

Agriculture is the basis of Ceylon's economic life. Exports of all principal agricultural products during the calendar year 1937 accounted for Rs.296,063,000 of a value for all exports of Rs.332,117,000. Over 15 per cent of the total area of the colony, the remainder of which is mountainous, jungle, or otherwise unfit for cultivation, is devoted to the production of various crops and to pasturage. As previously mentioned, a high percentage of the population is engaged in agricultural pursuits.

TEA

Tea is Ceylon's chief crop. Although the plant (*Thea sinensis*) has undoubtedly been grown in Ceylon for generations, it is only during the last forty years that the industry has developed to its present importance. Exports amounted to 68,000,000 pounds in 1891, increased to 144,000,000 pounds in 1901, reached a peak of 253,000,000 pounds in 1932, and were recorded as 213,000,000 pounds in 1937.

The tea industry is based on the estates system, these being large land holdings equipped with factories and employing considerable numbers of labourers, generally Indians. There are also numerous small landholders who grow tea in limited quantities. The industry comprises at present some 2,400 large estates and these, inclusive of other producing areas, occupy approximately 560,000 acres of land. The principal tea districts are some distance inland from the coast and are generally from 1,500 to 5,000 feet above sea level. The industry is highly organized, maintaining a research bureau supported by funds levied on exports. It has also, since 1933, been subject to a restriction on production and export, arranged co-operatively with India and Java.

Tea prices have fluctuated considerably during the last ten years. Average prices per pound on the Ceylon market stood at Rs.0.85 in 1928 but fell off to half that figure in 1932. Since that time, owing largely to the regulation of export markets and publicity campaigns in the principal of these, prices have now increased until the 1937 average for teas exported to the United Kingdom was Rs.0.81½ and for those shipped to other countries Rs.0.76½. Although tea prices have suffered somewhat from the recent general depression in world markets, they have held up much more firmly than those of almost any other of Ceylon's principal exports.

RUBBER

Rubber ranks second among Ceylon's agricultural products. Exports during 1937 were valued at Rs.80,000,000, by far the highest figure ever yet recorded. The industry is located in the southwestern part of the island and roughly separates the coconut industry of the coastal areas from the tea industry in the central mountains. It is estimated that over 600,000 acres are occupied by rubber plantations.

The rubber industry in Ceylon had its beginnings shortly before the end of the last century. Plantings extended rapidly between 1905 and 1907 but it was not until about twenty years ago that any close relationship was recorded between acreage planted and that in production. The value of export trade fell away from a previous high figure of Rs.170,000,000 in 1926 to Rs.13,000,000 in 1932. Since that time, as a result of export restrictions arranged with other British countries, the Netherlands Indies, and Siam, production and export values have improved considerably. Prices at present are, however, below those prevailing at the same time last year and export sales from the first quarter of the year show a decided falling-off as compared with 1937 records.

Ceylon's exports of rubber are generally in the form of crepe or smoked sheet. Prices vary only slightly between standard grades. The average domestic price during 1937 was Rs.0.49½ but current returns are no more than half of this amount.

In view of present market tendencies and the severe competition of the Netherlands Indies, there is an agitation in Ceylon for more scientific replanting and preparation on broad lines for future market eventualities.

COCONUTS

The coconut industry is the third of Ceylon's important agricultural activities. It varies from the tea and rubber trades in that it is concerned with the output of a wide range of products; also in that organized production and sale of coconut products is of quite recent development. The industry occupies something over 1,000,000 acres of land, principally along the southern and western coasts of the island.

Although the primary product is the coconut itself, the industry is also concerned with the output and export of copra (the dried kernel of the nut), which is used in the production of oil required in the making of soap, margarine, and other commodities. Coconut oil is also manufactured in large amounts in mills in Ceylon. Desiccated coconut, made from fresh nuts, is prepared on numerous estates. Coir, made from the husks of the coconut, and prepared in the form of fibre, yarn, and bristles, is a further product of the industry, while production of poonac (the residue from the manufacture of oil from copra and a valuable fertilizing material), of coconut shell charcoal, and of coir rope are of minor individual importance. Coconut palms, and two other varieties, are also of considerable economic value as a source of "toddy" from which arrack liquor is produced. The latter enjoys a wide sale throughout the island and the trade provides a lucrative source of revenue to the government.

The coconut industry suffers more severely from the competition of other producing areas throughout the world than do the tea and rubber trades. It still has the advantage that the economic uses of its products and by-products are as yet undetermined and its scope accordingly less limited. Extended utilization of the trees and their fruit and developments in methods of growth and fertilization may conceivably lead to even greater success than this branch of Ceylon's agricultural industry has achieved to date.

Exports of coconut products during the year 1937 were valued at Rs.48,000,000. Of this amount coconut oil made up Rs.20,000,000, copra Rs.13,000,000, and desiccated coconuts Rs.7,000,000.

OTHER AGRICULTURAL PRODUCTS

Among Ceylon's minor agricultural products, cacao, cinnamon, areca-nuts, tobacco, citronella oil, papain, and spices are of sufficient importance to merit reference.

Cacao.—The production of cacao is of variable quantity, depending on seasonal climatic conditions, while much has still to be done in developing

methods of fertilization, curing, etc. Exports during 1937 were valued at Rs.2,600,000.

Cinnamon.—This was at one time Ceylon's principal export commodity. The cinnamon industry is now almost entirely controlled by Sinhalese and has migrated from the west to the southern coast of the island, where it is generally in the hands of small landholders. Exports of cinnamon quills and chips, formed from the bark of young shoots of the cinnamon tree, are approximately four times the value (Rs.1,600,000) of those of cinnamon oil extracted from its leaves and bark.

Areca-nuts.—These nuts are a product of the areca palm and are consumed locally in large quantities, while they also form the basis of a valuable trade to India.

Tobacco.—The Jaffna and Kandy districts are the main centres for tobacco growing. The main types produced are of low, coarse grade, suitable for domestic consumption and for export to India. Attempts to grow high-quality tobaccos for export to the United Kingdom have to date proved unsuccessful.

Citronella Oil.—This is produced from a coarse grass grown along the southern coast. The industry is of comparatively small importance and has recently been menaced by competition from Java.

Papain.—An extract from the dried fruit of the pawpaw tree, the trade in papain is limited and its future uncertain.

Spices.—Production of spices, principally pepper, is in the hands of small cultivators in the Kandy district. Efforts recently made to stimulate this industry have met with doubtful success.

In addition to the above, Ceylon also supports a large rice-growing industry, concerned solely with local market demand, while there is as well some loosely organized cultivation of coffee, tubers, millet and similar grains, cotton, and other food-producing trees and plants.

ANIMAL HUSBANDRY

Ceylon supports a very limited animal population. It is estimated that the number of cattle is slightly over 1,000,000, while there are over 500,000 buffaloes, 200,000 goats, 55,000 sheep, 40,000 swine, and 1,500 horses. The cattle are generally of poor quality and, with the buffaloes, are often used for draft purposes. The horse is not an economically valuable animal in Eastern countries.

FISHERIES

In comparison with its extensive coastline and the low cost of labour, Ceylon's fisheries are of small national importance. The pearling industry was one of the earliest trades in the modern history of the colony, and it has now become a government monopoly. Even with careful supervision and restrictions on wasteful practices, its output is comparatively small. The most valuable oysters are gathered only when conditions permit, the last fishery having been in 1925, when the catch was valued at Rs.518,000. Oysters of inferior quality are gathered on several parts of the coast but such production is of very small importance.

The sea fisheries of Ceylon are one of the island's natural resources which have not to date been fully exploited and are almost exclusively in the hands of native fishermen. Equipment is restricted to native craft of limited utility, such as the catamaran and canoe, and of lines, nets, and hooks of local make. No reliable figures of production are available, but in view of heavy imports from India, the Maldiv Islands, and other countries, including Canada, it cannot be counted as being much in excess of the demands of coastal areas alone.

The Ceylon Government is taking active steps to encourage the development of the sea fisheries and has established research laboratories and carried out various marine surveys in order to assist in this direction.

The chank, a type of shell fish, found principally in the waters of Palk strait, although it possesses no food value, commands a ready market in India, where it is used for the making of bangles.

FORESTS

Ceylon's forest industry is at present in an early stage of development. Forest areas are Crown property and all forest products from satin woods, ebony, and mahogany down to leaves and seeds are subject to royalty dues. The government, however, has devised a policy "to make the island self-supporting in timber and essential forest produce," which will no doubt eventually lead to a much greater production and independence from imported supplies than heretofore.

Reserved forests in Ceylon cover an area of 2,211 square miles, almost 10 per cent of the island's total area. There are, in addition, many areas which support forest growth or where trees may be profitably cultivated. The cultivation of such stands as well as their regeneration and the planting of new areas may be expected to show continuous improvement.

Production in recent years has included unrecorded quantities of the valuable hardwoods (satinwood, ebony, etc.), substantial numbers of railway sleepers, and odd quantities of logs and scantlings. The valuable hardwoods are exported for the manufacture of veneers. Railway sleepers, cut from inferior hardwoods, are required by the Ceylon railways, while there is a general demand for much larger quantities of woods for building, concrete work, and similar industrial purposes than can be met by the local industry.

MINES

The mining industry in Ceylon is, in practice, limited to the production of plumbago (graphite) and of various precious and semi-precious stones. Plumbago production flourished during the world war but has recently suffered from competition offered by mines in Madagascar. The deposits are of permanent value, however, and exports to several leading industrial countries amounted in value to Rs.2,300,000 in 1937.

The output of precious stones is in the hands of Sinhalese operators of scattered deposits. Production values cannot be accurately determined but an estimate places these at some Rs.2,000,000 per year. The principal stones are ruby, sapphire, chrysoberl, and aquamarine, while semi-precious varieties such as moonstone, topaz, and zircon are also found.

Other mineral deposits in Ceylon include thorium and uranium ores, ilmenite sands, mica, and various others of less value. None of these are being worked at the present time.

MANUFACTURES

Ceylon's industrial development, apart from that dependent on and intimately associated with agricultural production, is as yet in an elementary stage. The island supports a large number of tea and rubber factories, practically all of which are situated on the estates whence their raw materials are drawn, and which are not concerned with any other operations. In the case of the coconut trade, there are some mills engaged in oil extraction and in making desiccated coconut which operate semi-independently, but these are comparatively few in number.

A classification of Ceylon's manufactures includes not only those referred to above but also various unimportant and localized trades and establishments

such as aerated water manufacturing, silversmith shops, and similar types. In addition there are 172 cigar factories, 158 tanneries, 90 sawmills, 22 spinning and weaving mills, 12 soap factories, 4 fertilizer plants, and 1 brewery. No statistics of capital investment, value of output, or number of employees are available.

The Ceylon Government has recently given active assistance to the development of new industries through the establishment of a Bureau of Commerce and Industry charged with the encouragement of manufactures and the sale of such products in foreign markets.

ELECTRIC POWER

With a demand created principally by domestic consumers and small manufacturing establishments, Ceylon has not felt a pressing need for large amounts of electric power. The increasing cost of producing power from various small plants has, however, at last focussed attention on a hydro-electric power development scheme which was first contemplated some twenty years ago. Surveys and even primary construction work have already been completed and it is expected that contracts for the completion of the system may be let in the early future. Their total value is expected to amount to £1,000,000.

TRANSPORTATION

The port of Colombo vies with Bombay and Singapore as a half-way stop for vessels plying from Europe to the Far East and to Australasia. During 1937 the number of steam and motor vessels cleared from the port of Colombo, exclusive of warships, coasting vessels, and ships which call for bunkers alone, was 2,373 of a tonnage of 11,425,020. Of these, 1,480 were of British registry and 893 foreign. The figures for the port of Colombo constitute over 80 per cent of Ceylon's total shipping during the year, the balance being credited to Talaimannar, Galle, Trincomalee, Kankasanturai, and Jaffna. Colombo's port facilities are modern and extensive.

Ceylon's railway system is owned and operated by the government. It comprises 951 miles of line, 834 of which are broad gauge (5 feet 6 inches) and 117 narrow gauge (2 feet 6 inches) and provides access from Colombo to all the principal ports and inland towns as well as to the tea, rubber, and coconut growing districts. It is also joined by a ferry service with the Indian mainland. The railways have for several years past felt increasing competition from road transport.

The island is fortunate in its possession of a highly developed road system. As in the case of its railways, roads have been built at considerable expense and in the face of serious engineering problems, particularly in the mountainous interior, but the resulting benefits are appreciable. The mileage of motorable roads at the close of 1937 was 4,603, this being almost entirely made up of permanently surfaced modern highways. There were as well 3,000 miles of secondary roads and 600 miles of streets in cities and towns. Registrations of motor vehicles reached a record total on January 1, 1938, when 30,223 were in effect. Passenger vehicles numbered 20,181, motor trucks 4,162, buses 2,654, and motor cycles 2,997, the balance being made up by trailers, tractors, and other types.

Owing to its limited area and the excellent facilities for surface transportation now available, Ceylon has as yet no regular domestic air services. It is nevertheless connected by air with India, both in so far as the carriage of passengers and mails are concerned.

BANKING AND CURRENCY

Various British and Indian banks maintain branches in Colombo and elsewhere in Ceylon and with domestic banks are engaged in commercial and exchange business.

Following the submission of a report on Ceylon's banking system by a commission appointed some four years ago, the government has now under consideration the establishment of a state-aided bank, to be called the Bank of Ceylon, Ltd., and designed to offer increased facilities to agriculture, industry, and trade.

The unit of Ceylon's currency is the Indian silver rupee, which is currently worth about Canadian \$0.37. Paper money is issued by the government, at the discretion of a Currency Commission, in different rupee denominations, while subsidiary coins are put out in decimal subdivisions of the rupee. Reserves supporting the note issue are maintained in the form of cash, bullion, and securities in Ceylon, India, and the United Kingdom.

The Ceylon government has recently had under consideration the establishment of its own currency unit and it appears likely that this step may be taken shortly. By doing so the colony would be assured of a fixed or independent ratio between its own money and sterling and an absence of exchange fluctuations such as might result from devaluation or other influences affecting the value of Indian currency.

PUBLIC FINANCE

During the last fifteen years Ceylon's annual budgets have approximated to Rs.110,000,000. Receipts are derived principally from customs duties, income and estate taxes, excise and salt duties, the post office and harbour dues, while expenditures are largest on medical and sanitary services, education, pensions, the port office, interest, and public works. Most of Ceylon's public debt is made up of sterling loans, the proceeds of which were devoted to railway and harbour construction.

POINTS FOR EXPORTERS TO AUSTRALIA

L. M. COSGRAVE, CANADIAN TRADE COMMISSIONER (SYDNEY) AND F. PALMER, CANADIAN TRADE COMMISSIONER (MELBOURNE)

Sydney, July 6, 1938.—The Commonwealth, including the Island of Tasmania, is bounded on the west by the Indian Ocean and on the east by the Pacific Ocean, this territory providing a variation of 33 parallels of latitude. More than one-third of Australia, 1,149,320 square miles, lies within the tropics; the remainder, 1,825,261 square miles, is within the temperate zone. Australia, being an island, is less subject to climatic extremes than regions of similar area in other parts of the globe. The extreme range of shade temperatures in summer and winter is only 81° F., and over the greater part of the Commonwealth the climate resembles that of South California, Southern France or Italy.

DIVISION OF TERRITORY

In order that Canadian manufacturers and exporters may maintain close contact with Australia, Canadian Government Trade Commissioners are established in Sydney and Melbourne (the two principal trade centres of the Commonwealth). The Sydney office's territory extends over the Federal Territory of Canberra, the states of New South Wales and Queensland, Northern Territory, Territory of New Guinea, and Papua. Under the Melbourne office's territory are the states of Victoria, Tasmania, South Australia, and Western Australia. All matters affecting these two territories should be addressed to the respective offices concerned.

PRIMARY INDUSTRIES

These constitute the backbone of Australian production, exports and finance. There are approximately 110 million sheep in the Commonwealth, and 13 million head of cattle, hence the exports of wool, frozen meats, butter, cheese, and condensed milk constitute paramount trade figures. With a normal season's wheat harvest, from 160 to 170 million bushels of wheat, considerable quantities of which are exported as flour, add to the volume of exports. The production of currants, raisins, canned fruits, and apples, also mainly for export, has attained considerable importance. Queensland produces normally approximately 800,000 tons of sugar per annum, of which over 300,000 tons are exported. Mining activities cover gold, silver, lead, copper, tin, zinc, iron, and coal.



MANUFACTURING INDUSTRIES

In recent years there has been a great expansion in new Australian industries, covering a wide range of manufactures. For the year 1936-37 these industries employed 523,000 operatives, paid £90,100,000 in wages, and their total output was valued at £451,800,000 or approximately \$1,807,200,000. These industries have the dual advantage of the highest customs tariff in the Empire, and the natural protection of ocean freights and other importing charges. The principal manufacturing industries embrace iron and steel production plants, timber mills, woollen mills, agricultural implement works, engineering and machinery plants, railway and tramway workshops, distilleries, breweries, soap works, tanneries, and those producing furniture and cabinets, motor car bodies, clothing, electrical household appliances, boots and shoes, and tobacco products.

OVERSEAS TRADE

Relative to population, Australia occupies a prominent position amongst the trading countries of the world, as the appended schedule of imports and exports for recent years indicates:—

Year	Imports £stg.	Exports £stg.	Total Trade £stg.
1933-34	60,712,926	98,572,632	159,285,558
1934-35	74,119,496	90,225,168	164,344,664
1935-36	85,252,458	108,907,205	194,159,663
1936-37	92,640,462	129,009,810	221,650,272

Canada-Australia Trade (Canadian Figures)

Fiscal Year	Imports \$	Exports \$	Total Trade \$
1934	5,363,199	12,138,869	17,502,068
1935	6,327,175	18,081,847	24,409,022
1936	7,277,099	23,974,094	31,251,193
1937	9,469,823	26,953,810	36,423,633

IMPORTING CENTRES

Taking the fiscal year 1936-37 as an illustration, the appended schedule indicates the principal importing states, and the main ports at which goods were landed:—

State	Port	Value of Imports 1936-37 £stg.
New South Wales	Sydney	£40,955,861
Queensland	Brisbane	6,904,102
Northern Territory	Darwin	58,120
Victoria	Melbourne	32,593,726
South Australia	Adelaide	5,438,429
Western Australia	Fremantle	5,657,562
Tasmania	Hobart	1,032,662
Total		£92,640,462

Sydney and Melbourne are the leading distributing ports, the former being the entrepôt of the New Guinea, Papua, and South Sea Islands trade.

AUSTRALIAN IMPORTERS

The Department of Trade and Commerce, Ottawa, has on file comprehensive lists of the leading importers in the principal centres of all the Australian states. While extreme care has been taken in this compilation, no responsibility as to its accuracy or financial rating of firms should be assumed. Special inquiries in this regard, directed to the Canadian Trade Commissioners in Sydney or Melbourne—when considered necessary—are assured of prompt investigation and replies.

TARIFF PREFERENCES

Under the Canadian-Australian Trade Agreement preferential rates of duty are conceded to a wide range of Canadian products. Those commodities which are dutiable under the general or intermediate rates are produced to a considerable extent in Australia, and include wheat and wheat flour, agricultural machinery, timber including logs and sawn, certain lumber manufactures, certain classes of manufactured paper, motor and vehicle parts, pianos and parts thereof, vacuum cleaners, spark plugs, dresses, and piston rings.

Complete information in respect of Australian duties may be obtained upon application to the Foreign Tariffs Division, Department of Trade and Commerce, Ottawa.

CANADIAN CONTENT

The attention of Canadian manufacturers is called to the necessity of meeting Australian regulations regarding the required Canadian content of

labour and materials. It is further emphasized that these regulations apply to Canadian content and *not* Empire content, and the utmost care should be exercised in designating Canada "A," "B" or "C" on the prescribed form of invoice for goods exported to Australia. Proportion of content required varies with the rate of duty. In case of doubt refer to the Foreign Tariffs Division, Department of Trade and Commerce, Ottawa.

COMMONWEALTH TRADE DESCRIPTIONS ACT

The regulations under this Act in regard to importations are strictly enforced, hence it is imperative that Canadian manufacturers must carefully comply with the procedure clearly set out. Canadian exporters are advised that the trade descriptions upon goods imported into Australia shall include the country of origin, e.g., Canada. The commodities specified are: articles for human food or drink; medicines; fertilizers; apparel and materials from which such apparel is made, including boots and shoes; piece goods for manufacture of apparel; jewellery; seeds and plants; brushware; electrical goods generally; enamelled hollow-ware for domestic use; powder puffs; and toys, etc. For further information respecting specific items apply to the Foreign Tariffs Division, Department of Trade and Commerce, Ottawa.

CUSTOMS REQUIREMENTS

Australian invoice requirements and other trade regulations applicable to imports into Australia may be obtained on application to the Foreign Tariffs Division, Department of Trade and Commerce, Ottawa.

CATALOGUES

A substantial customs duty is levied on advertising catalogues, price lists, trade circulars, and similar advertising matter sent by post or otherwise. Application should, however, be made to the Foreign Tariffs Division, Department of Trade and Commerce, Ottawa, for full particulars in respect thereof, including methods of prepayment of duties. Catalogues, price lists, and other printed matter, in small quantities, addressed to the Canadian Government Trade Commissioners at Sydney and Melbourne, are—in official courtesy—delivered free of any duty charge.

REPRESENTATION

Direct travelling representatives do not require a selling licence in Australia, but income tax on the profits of goods sold is payable before passports can be viséd for booking outward passages.

Manufacturers' Agents.—It is not considered necessary to recapitulate the services rendered by Trade Commissioners which are available to manufacturers interested in export trade. Assuming that, in many instances, the cost of sending a direct representative from a factory to Australia precludes such being undertaken, then it follows that the next best course to adopt is to appoint a capable and energetic resident agent, and in the latter connection the opinion of the Trade Commissioner should first be sought. Under no circumstances is it advisable for Canadian manufacturers to appoint agents in Australia until they are absolutely certain—as the result of reliable inquiry—that the agents are worthy of confidence.

Income Tax on Visitors.—Income derived as director's fees or salary by a non-resident during a visit to Australia during which he acts as a director, manager, or other administrative officer of a manufacturing, mercantile or mining business, or of a business of primary production, is at present exempt from Australian taxation if the visit of the non-resident to Australia does not exceed six months.

A taxation clearance must be obtained from the Taxation Department, for presentation to the transportation company before issue of ticket for any person leaving Australia. The procedure is simple as taxation offices are located at each principal port, and efficient taxation advisers—generally chartered accountants specializing in this work—can be consulted at moderate charges when preparing returns for the more involved cases.

SELLING TERMS

While the currency is British (i.e. pounds, shillings, and pence) the Australian pound (£A.) is at present at a discount to the pound sterling of approximately 20 per cent, i.e. £stg.100=£A.125. Importers are quite familiar with quotations in Canadian currency (i.e. dollars and cents) hence it is optional as to how prices are submitted. Quotations should be made on both an f.o.b. (closest point of exit from Canada) and a c.i.f. and e. basis (i.e. ex ship's slings at port of destination, including bank exchange), the former being required for duty purposes. Information as to freight rates can be readily secured from steamship companies in Canada and the United States, a list of which will be found under a subsequent heading. Frequently manufacturers are unable to quote c.i.f. and e., in which case it is imperative to quote f.o.b. steamer, as Australian buyers have no means of ascertaining the cost of freight from factory point to ocean port, which is included in the total for duty purposes.

CREDITS

It is an accepted trade axiom that shipments should not be made to oversea firms on terms involving financial risk. Reputable mercantile agencies in Canada, Canadian banks and New York branches of Australian banks frequently can furnish opinions relative to the status of Australian importers. Generally, there is little risk involved in making shipments to Australia, but manufacturers and exporters should obtain a satisfactory rating before executing orders. Cabling charges are now so inexpensive that, in special cases, exporters should request their bankers to obtain without delay the desired credit information from their Australian agents. In many cases, and especially so if there is a monetary advantage, Australian importers provide a letter of credit, and in other cases adjustments are made by drafts on buyers at sight or at thirty to sixty days against surrender of shipping documents. Drafts drawn on reliable Australian buyers, supported by bill of lading, insurance policy and invoice, can usually be promptly negotiated by the exporter's bank, and the proceeds credited.

MARINE INSURANCE

Instructions generally accompany orders relative to the manner in which marine insurance is to be effected. The percentage addition to the f.o.b. steamer value of the shipment, including all shipping charges, is usually indicated, and also (depending on the goods) whether the policy is to be "with particular average" (W.P.A.), or "free of particular average" (F.P.A.). Insurance from factory in Canada to warehouse in Australia including all risks (fire, pilferage, leakage, etc.) can be fully covered.

DISCOUNTS AND COMMISSION

Much needless correspondence and waste of time is incurred in the failure of many manufacturers to state in the first instance the discounts (if any) allowed from price lists, and the commissions they are prepared to allow on orders secured by an agent. The appointment of a resident agent in Australia of oversea manufacturers in most lines of merchandise to initiate and develop

business, is most essential, hence manufacturers should include a reasonable rate of agency commission in fixing prices for export.

POSTAGE RATES

The ordinary rate of postage from Canada to Australia is three cents for the first ounce and two cents each ounce after. Air mail rate is:—

Via England and Imperial Airways—35 cents each half ounce.
(9 days London-Sydney)

Samples by Parcel Post.—Samples are usually required for the inspection of prospective buyers before orders can be secured or agency connections established. In preliminary inquiries, however, only samples of small value (which can be sent through the parcels post) should be made available. Parcel post is preferable to express, as the latter method causes additional expense at point of destination. The parcel post rates from Canada to Australia are:—

Via Vancouver.. . . .	One pound.. . . .	12 cents
	Each additional pound.. . . .	12 cents
	Maximum, 11 pounds	\$1.32
Via San Francisco.. . . .	One pound.. . . .	30 cents
	Two pounds.. . . .	50 cents
	Each additional pound.. . .	25 cents
	Maximum, 11 pounds	\$2.75

PACKING AND MARKING OF GOODS

To ensure safe carriage and economies in freight, every care should be taken in packing goods for the long ocean journey to Australia, hence the following hints for packers are suggested:—

- (a) Use sound material (good wood, canvas, etc., as the case may be). Avoid, where possible, use of large cases.
- (b) All clamping, battening or strengthening should be done on inside of cases, as freights are calculated on extreme measurements.
- (c) Never use straw in packing, dry wood shavings are preferable as straw absorbs dampness when in transit, and thus injures the goods.
- (d) Each package, besides marks and address, must have a distinct number, and in invoicing, the number of contents of each package should be separately and distinctly specified; this is necessary for Australian customs purposes.

SHIPPING FACILITIES FOR CANADIAN SHIPPERS

Excluding intermittent steamers engaged in conveying, or chartered for, special cargoes (such as oil, timber, etc.) there is, at this date, a number of regular lines of steamers in the trade from Atlantic and Pacific coast ports of Canada and the United States to the principal Australian importing centres. A brief recapitulation of these steamers, together with the offices, is appended for general information, thus:—

From Montreal, Saint John, and Halifax, by cargo steamer:—

Montreal Australia New Zealand Line,

410 St. Nicholas Street, Montreal, Que.

(monthly, Brisbane, Sydney, Melbourne, and Adelaide).

From Vancouver B.C., by mail and cargo steamers:—

Canadian-Australasian Royal Mail Line,
999 Hastings Street West, Vancouver, B.C.
(every four weeks to Sydney).

Union Steam Ship Co. of New Zealand Ltd.,
999 Hastings Street West, Vancouver, B.C.
monthly, to Sydney).

Empire Shipping Co. Ltd.,
966 Hastings Street West, Vancouver, B.C.
(monthly, Brisbane, Sydney, Melbourne, and Adelaide).

From New York by cargo steamers:—

American Pioneer Line—Roosevelt S.S. Co.,
Broadway, New York.

Port Line Ltd.—Funch, Edye & Co., 25 Broadway,
New York.

American and Australian S.S. Line—Norton Lilly
Company, 26 Beaver Street, New York.

(These three companies between them maintain about a ten-day service
to Brisbane, Sydney, Melbourne and Adelaide.)

From San Francisco by mail steamers:—

The Oceanic Steam Ship Co. (Matson Line),
215 Market Street,
San Francisco.
(monthly, to Sydney and Melbourne).

Most of the cargo steamers take cargo for Brisbane (transhipping for other Queensland ports), Sydney (transhipping for Hobart), Melbourne (transhipping for Launceston), and Adelaide, while the lines out of New York have one vessel a month which carries cargo without transhipment for Fremantle, Western Australia.

GENERAL INQUIRIES CONCERNING AUSTRALIA

Hitherto many inquiries from Canada concerning Australia and Australian products have been sent to the Canadian Trade Commissioners at Sydney and Melbourne. Such inquiries may be directed to the Australian Government Trade Commissioner to Canada, 15 King Street West, Toronto, Ont.

AUSTRALIAN WHEAT AND FLOUR

FREDERICK PALMER, CANADIAN TRADE COMMISSIONER

Melbourne, July 15, 1938.—The area under wheat harvested in Australia in 1937-38 is now estimated at 13,709,000 acres and production at 187,870,000 bushels. The average yield for 1937-38 now becomes 13.70 bushels per acre.

For the ten months ended April, 1938, Australia contributed 40,631,186 bushels of wheat to the United Kingdom, an increase of 14,000,000 bushels as compared with the comparative period last year, and representing 28 per cent of the total United Kingdom imports.

Flour exports for the ten months from Australia to the United Kingdom totalled 152,000 tons or 40 per cent. Compared with last year's figures, flour exports to the United Kingdom from Australia increased by 13 per cent.

Exportable Surplus of Australian Wheat and Flour (in Terms of Wheat)

Particulars	Unit	1936-37	1937-38
Stocks at Nov. 30:			
Wheat.	bushels	3,505,469	5,090,748
Flour.	tons	101,063	76,450
Total in terms of wheat.	bushels	8,356,493	8,760,347
Production.	bushels	150,559,000	186,918,000
Total supply in sight November 30.	bushels	158,915,493	195,678,347
Less local requirements for year.	bushels	56,000,000	56,000,000
Balance—Exportable surplus.	bushels	102,915,493	139,678,347
Less exports, Dec. 1 to May 31.	bushels	60,977,389	85,016,185
Estimated exportable surplus at June 1.	bushels	41,938,104	54,662,162

NEW CROP

Seeding operations for the 1938-39 crop are nearing completion, though in some quarters sowing is likely to be prolonged as a result of the lateness of the rains. The State Marketing Bureau estimates that there will be a slight increase in the area sown to wheat in New South Wales this season (approximately 4,550,000 acres are likely to be seeded for grain, an increase of 3 per cent).

It is as yet too early to make any estimate of the total acreage likely to be sown for the 1938-39 crop, but indications are that it will not be less than that harvested in 1937-38, viz. 13.7 million acres.

Increasingly widespread support in all Australian states is being given to the suggestion for the stabilization of the domestic price of Australian wheat. Since the bulk of this has to be exported at parity price and the price to growers has been steadily falling this season, it is suggested that a minimum price of 4s. per bushel at sidings to growers should be fixed, the difference between this and parity price being obtained either by way of Government bounty or some form of excise tax. Discussions have not yet reached a stage, however, where it can be stated that a fixed domestic price will be assured to wheat farmers. Discussion is also proceeding as to whether or not the control of wheat prices is a federal or state matter, particularly in view of the fact that only a year ago a very decisive vote of the Commonwealth was registered against federal control of marketing schemes.

Mr. Palmer cables from Melbourne under date August 16 as follows:—

Shipments of wheat and flour from Australia from December 1 to the week ending on August 9 totalled 107,920,922 bushels as compared with 80,126,536 bushels in the corresponding period of the previous year. A severe drop in the market was occasioned by the favourable North American prospects, pressure from Soviet Russia, and the small demand from the United Kingdom. Growers are showing an unwillingness to sell and the sustained demand by local millers is keeping up wheat prices in eastern Australia at a premium on par with the United Kingdom.

The price of wheat to growers at country sidings is only 2s. 8d. per bushel (equivalent to 52 cents Canadian) and the f.o.b. price is approximately 3s. 4d. per bushel (equivalent to 65 cents). Approximately five-sixths of the exportable surplus of wheat has been shipped to date and a very small carryover is expected. The timely rainfall has enhanced the prospects for the new crop.

There is little Oriental interest in flour apart from a few sales to Tientsin. Export quotations for Australian flour are £6 17s. 6d. per ton in 49-pound calico bags (equivalent to \$25.74 Canadian) and £6 7s. 6d. per ton in 150-pound sacks (equivalent to \$23.80 Canadian). The price of flour delivered in Melbourne is £8 10s. per ton of 2,000 pounds (equivalent to \$33.70).

CANADA'S DOMESTIC EXPORTS TO THE UNITED STATES OF PRINCIPAL COMMODITIES AFFECTED BY THE CANADA-UNITED STATES TRADE AGREEMENT
EFFECTIVE FROM JANUARY 1, 1936; ALSO UNITED STATES TARIFF RATES IN FORCE. (MONTH OF JULY, AND THE SEVEN MONTHS ENDED
JULY 31, 1937 AND 1938)

(COMPILED BY THE EXTERNAL TRADE BRANCH, DOMINION BUREAU OF STATISTICS; AND THE FOREIGN TARIFFS DIVISION)

Commodities	Month of July			Seven months ended July			United States Tariff	
	1937		1938		1937		1935	Canada-United States Trade Agreement (Jan. 1, 1936)
	Quantity	Value	Quantity	Value	Quantity	Value		
		\$		\$		\$		
AGRICULTURAL AND VEGETABLE PRODUCTS								
Fruits—								
Apples, green or ripe.....	1,132,507	77,330	705,378	48,954	672	3,163	847 25c. per bu. 50 lbs.	15c. per bu. 50 lbs.
Strawberries, fresh.....					1,376,366	92,306	56.513 14c. per lb.	4c. per lb.
Grain products—								
Bran, shorts and middlings.....	147,359	177,068	28,607	21,724	1,415,977	2,121,679	28.144 10% ad val.	10% ad val.
Cereal foods, prepared, all kinds.....	109,146	5,241	61,920	7,912	523,544	39,922	45.180 20% ad val.	15% ad val.
Screenings.....	2,666	17,408	129	811	131,185	885,896	84.863 10% ad val.	10% ad val.
Hay.....	957,373	137,808	1,574,666	241,568	1,572,967	227,028	91.300 \$5 per ton (2,000 lbs.).	\$3 per ton (2,000 lbs.).
Maple sugar.....							792.954 6c. per lb.	4c. per lb.
Seeds—								
Clover seed, alfalfa.....	435	5,978	8	118	21,660	297,599	292.183 8c. per lb.	4c. per lb.
Clover seed, alsike.....	1	5			15,343	157,481	22.947 8c. per lb.	4c. per lb.
Grass seed.....	262	668	646	872	36,021	94,050	94.347 2c. per lb.	1c. per lb. (mainly tim- othy).
Vegetables—								
Certified seed potatoes.....	1,110	1,126	780	605	312,175	331,620	98.708 75c. per 100 lbs.	45c. per 100 lbs., Mar. 1 to Nov. 30, if certified seed; 60c. per 100 lbs., Dec. 1 to last day of Feb., if certified seed; 75c. per 100 lbs. on im- ports of certified seed in excess of 750,000 bu. during each twelve- month period, begin- ning Dec. 1, in any year.
Potatoes, n.o.p.....	163	125	4,070	2,163	325,513	237,041	55.447 75c. per 100 lbs.	75c. per 100 lbs.
Turnips.....			200	80	1,046,017	335,902	374.342 25c. per 100 lbs.	12½c. per 100 lbs.
Whiskey.....	304,594	1,203,360	232,057	905,547	2,664,099	10,139,906	5,629,928 \$5 per pf. gal.	\$2.50 per pf. gal. if aged in wooden containers for at least four years; \$5 per pf. gal. if other- wise.
ANIMALS AND ANIMAL PRODUCTS								
Animals, living—								
Dairy cattle, n.o.p.—								
Weighing 175 to 700 lbs.....	11	322	16	579	103	3,879	2,009 2½c. per lb. 175 to 700 lbs.	2½c. per lb., 175 to 700 lbs.
Weighing over 700 lbs.....	338	22,674	621	37,662	3,306	199,460	217.139 3c. per lb. if over 700 lbs.	1½c. per lb. if over 700 lbs. on imports in excess of 20,000 head during any calendar year.

Cattle, n.o.p.— Weighing less than 175 lbs.	13,904	202,737	5,434	90,734	71,300	1,038,876	34,407	506,077 2½c. per lb., if less than 175 lbs.	
								14c. per lb., if less than 175 lbs.	2½c. per lb., if less than 175 lbs., on imports in excess of 51,933 head during any calendar year.
Weighing 175 to 700 lbs.	2,470	49,888	135	3,435	3,788	85,550	1,009	31,947 2½c. per lb., if 175 to 700 lbs.	175 to 700 lbs.
Weighing over 700 lbs.	22,383	1,573,707	4,564	306,821	107,948	7,398,812	27,048	1,595,727 3c. per lb., if over 700 lbs.	3c. per lb., if over 700 lbs., on imports in excess of 155,799 head during any calendar year.
Horses, n.o.p.	874	115,792	285	39,558	8,171	1,064,572	4,294	\$30 per head, if valued at not more than \$150; 20% ad val., if valued more than \$150.	\$30 per head, if valued at not more than \$150; 20% ad val., if valued more than \$150.
Poultry, n.o.p.	80,942	40,458	20,614	10,284	353,480	191,442	216,188	145,775 4c. per lb., if chickens, ducks, geese, turkeys, and guineas.	4c. per lb., if chickens, ducks, geese, turkeys, and guineas.
Fish, fresh and frozen—									
Clams, fresh.	2,842	5,270	1,585	3,375	38,065	44,278	22,657	26,449 Free.	Free.
Eels, fresh and frozen.	204	1,113	239	1,710	1,168	7,045	942	6,017 1c. per lb.	1c. per lb.
Halibut, fresh and frozen.	6,100	58,185	5,572	46,268	29,802	274,260	37,539	371,139 2c. per lb.	2c. per lb.
Herring, sea, fresh and frozen.	22,636	11,773	15,939	10,077	81,826	75,692	26,886	28,522 Free.	Free.
Salmon or lake trout, fresh and frozen.	5,623	61,530	4,743	51,039	19,051	208,680	18,536	208,102 1c. per lb.	1c. per lb.
Lobsters, fresh.	14,023	270,952	12,661	188,359	87,308	1,874,854	84,327	1,498,307 Free.	Free.
Oysters, fresh.	10	100	6	36	121	1,006	3,013	1,985 Free.	Free.
Salmon, fresh and frozen.	8,306	114,370	10,087	137,640	30,110	326,473	27,913	326,423 2c. per lb.	2c. per lb.
Smelts, fresh and frozen.	2,092	29,943	726	14,817	39,241	342,428	41,766	401,397 Free.	Free.
Swordfish, fresh and frozen.	2	34	7	63	4,408	32,192	7,766	15,923 3c. per lb., if not frozen;	3c. per lb., if not frozen;
Tullibee, fresh and frozen.	2	123,761	11,738	145,891	79,191	891,613	81,206	62,802 1c. per lb.	1c. per lb.
Whitefish, fresh and frozen.	9,214	123,761	11,738	145,891	79,191	891,613	81,206	946,686 1c. per lb.	1c. per lb.
Fish, pickled, salted, and smoked—									
Alwives, salted.	431	1,949	482	1,463	15	44	542	1,129 1½c. per lb., net weight.	1½c. per lb., net weight.
Herring, sea, smoked.	431	1,949	482	1,463	4,442	21,077	5,568	23,842 3c. lb., if boned;	3c. lb., if boned;
Salmon, pickled.					2	15	1,254	19,154 25% ad val.	20% ad val.
Fish, canned—									
Clams, canned.					21	106	118	1,372 23% ad val., if razor clams;	15% ad val., if razor clams;
Lobsters, canned.	1,154	70,252	478	24,334	3,030	178,518	2,586	35% ad val., if other kinds.	35% ad val., if other kinds.
Fur skins, undressed—									
Beaver.	6,690	95,470	5,959	61,382	28,677	450,424	23,496	135,378 Free.	Free.
Mink.	3,435	36,043	3,242	38,801	58,569	877,131	73,374	254,567 Free.	Free.
Muskat.	37,938	51,957	95,418	68,932	166,930	247,091	181,803	746,033 Free.	Free.
Wolf.	2,889	35,638	742	8,148	28,944	362,455	14,492	153,804 Free.	Free.
Leather—									
Harness leather.								984 12½% ad val.	10% ad val.
Patent leather.								7,267 15% ad val.	10% ad val.

CANADA'S DOMESTIC EXPORTS TO THE UNITED STATES OF PRINCIPAL COMMODITIES, Etc.—Concluded

Commodities	Month of July				Seven months ended July				United States Tariff	
	1937		1938		1937		1938		1935	Canada-United States Trade Agreement (Jan. 1, 1937)
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value		
Meats—										
Poultry, dressed or undressed.....	Lb. 4	1			224	\$ 55	1,283	\$ 277	10c. per lb., if chickens and guineas; 10c. per lb., if other poultry.	6c. per lb., if chickens and guineas; 10c. per lb., if other poultry.
Milk products—										
Cheese.....	Cwt. 1,301	25,374	1,296	21,982	27,813	423,654	9,630	169,403	7c. per lb., but not less than 25% ad val., if cheddar cheese in original loaves; 7c. per lb., but not less than 35% ad val., if other kinds of cheese.	5c. per lb., but not less than 25% ad val., if cheddar cheese in original loaves; 7c. per lb., but not less than 35% ad val., if other kinds of cheese.
Cream.....	Gal. 15,008	25,413			58,689	101,473	5,096	11,153	55-6/10c. per gal.	35c. per gal. 55-6/10c. per gal. on imports in excess of 1,500,000 gals. during any calendar year.
Whale oil.....	Gal. 260,001	72,540	85,200	27,861	360,243	100,521	258,914	78,715	5c. per gal.	21c. per gal.
Wood, Wood Products and Paper										
Shingle bolts of pine or cedar.....	Cord 45	143	3	38	509	1,782	56	318	Free.	Free.
Stave and other bolts, n.o.p.....	Cord 6,466	30,555	4,659	24,612	27,748	143,038	26,674	138,903	10% ad val.	10% ad val.
Firewood.....	Cord 36,882	154,084	16,346	47,958	639,395	157,719	77,226	231,153	Free.	Free.
Laths.....	M 16,185	216,182	22,036	255,789	51,652	675,239	70,359	813,741	Free.	Free.
Logs.....	M ft. 16,185	216,182	22,036	255,789	51,652	675,239	70,359	813,741	50c. per M ft. b.m., if fir, spruce, pine, hemlock or larch; free, if other kinds.	50c. per M ft. b.m., if fir, spruce, pine, hemlock or larch; free, if other kinds.
Masts and spars.....	M ft. 16,185	216,182	22,036	255,789	51,652	675,239	70,359	813,741	50c. per M ft. b.m., if fir, spruce, pine, hemlock or larch; free, if other kinds.	50c. per M ft. b.m., if fir, spruce, pine, hemlock or larch; free, if other kinds.
Pickets.....	M 2,170	12,560	2,682	21,086	17,898	135,699	17,184	124,528	Free.	Free.
Piling.....	Lin. ft. 56,153	4,197	116,060	5,953	191,965	14,126	318,529	19,382	50c. per M ft. b.m., if fir, spruce, pine, hemlock or larch; free, if other kinds.	50c. per M ft. b.m., if fir, spruce, pine, hemlock or larch; free, if other kinds.
Planks and boards—										
Flooring of hardwood.....	M ft. 226	15,887	1	56	1,255	77,928	80	4,134	8% ad val.	4% ad val.
Planks and boards, softwood.....	M ft. 42,787	1,200,394	33,815	865,681	296,656	8,119,707	209,466	5,254,541	\$3 per M ft. b.m. and Revenue Tax if fir, spruce, pine, hemlock or larch; (a) free, if other kinds of wood, but subject to \$3 Revenue Tax per M ft. b.m.	\$1.50 per M ft. b.m. and Revenue Tax if fir, spruce, pine, hemlock or larch; (a) free, if other kinds of wood, but subject to \$1.50 Revenue Tax per M ft. b.m.
Planks and boards, hardwood, n.o.p.....	M ft. 4,353	180,940	2,097	83,051	30,370	1,250,161	12,966	531,959	Free, but subject to \$3 per M ft. b.m. Revenue Tax.	Free, but subject to \$1.50 per M ft. b.m. Revenue Tax.
Poles—										
Telegraph and telephone.....	No. 53,793	159,981	30,763	105,544	212,350	618,333	142,191	457,623	Free.	Free.
Other poles.....	No. 59,074	5,430	35,777	3,486	550,456	49,031	424,546	36,624	Free.	Free.
Posts, fence.....	No. 196,798	1,647,638	173,141	1,562,561	672,125	5,045,669	672,146	5,276,773	Free.	Free.
Postwood.....	Cord 19,218	12,736	16,900	9,594	147,442	3,509,676	1,241,639	3,294,321	Free.	Free.
Railroad ties.....	No. 173,247	489,154	315,182	849,090	1,263,641	3,599,676	1,241,639	3,294,321	Free.	Free.
Shingles.....	Square 173,247	489,154	315,182	849,090	1,263,641	3,599,676	1,241,639	3,294,321	Free.	Free.
Staves and headings.....	33 1/3% ad val. if headings.	4,547		754	64,838			6,970	Free, if staves; 33 1/3% ad val. if headings.	Free, if staves; 33 1/3% ad val. if headings.

Timber, square, softwood.....	M. ft.	112	3, 135	123	2, 496	1, 099	27, 415	629	12, 734 \$1 per M ft. b.m., if fir, spruce, pine, hemlock or larch; free, if other kinds. Free.
Timber, square, hardwood.....	M. ft.								
Wood, pulp.....	Cwt.	1, 184, 245	2, 887, 301	612, 440	1, 428, 333	8, 719, 046	19, 753, 028	4, 452, 856	222 Free.
Paper—Newsprint.....	Cwt.	4, 834, 375	8, 837, 412	2, 906, 897	6, 509, 445	32, 081, 024	38, 343, 339	20, 347, 309	10, 791, 181 Free.
IRON AND ITS PRODUCTS									
Farm implements—									
Cultivators.....	No.	3	277	17	2, 199	360	15, 354	425	24, 131 Free.
Drills.....	No.	88	10, 187	58	8, 121	424	47, 122	502	67, 322 Free.
Harrows and parts.....	No.		11, 757		255		76, 325		27, 911 Free.
Harvesters and binders.....	No.	216	38, 295	141	32, 039	1, 363	252, 713	937	208, 742 Free.
Hay rakes.....	No.	32	1, 431	4	106	162	5, 879	149	7, 133 Free.
Mowers and reapers.....	No.	30	1, 914	10	685	210	11, 914	268	18, 620 Free.
Ploughs and parts.....	No.		43, 113		16, 395		425, 363		218, 670 Free.
Reaper threshers.....	No.	18	19, 472	24	17, 808	303	234, 009	924	731, 011 Free.
Parts of farm implements, n.o.p.....	No.		73, 734		36, 382		406, 005		274, 480 Free.
Ferro-silicon.....	Ton	1, 108	22, 858	285	4, 342	7, 894	154, 055	3, 491	87, 311 2c. per lb. on silicon content.
Ferro-manganese and other ferro-alloys,									
n.o.p.....	Ton	4, 477	220, 949	232	7, 450	16, 421	750, 804	5, 108	187, 073 1fc. per lb. on manganese content.
Skates.....									
Pair.....		2, 584	3, 881	50, 613	24, 572	52, 607	34, 402	91, 391	50, 930 20c. ad val.
NON-FERROUS METALS AND PRODUCTS									
Cobalt in ore.....	Cwt.	96	6, 333	61	3, 258	331	21, 359	117	5, 489 Free.
Cobalt metallic.....	Lb.			9, 790	15, 053			29, 941	44, 157 Free.
Nickel in matte or speiss.....	Cwt.	10, 037	180, 659	5, 025	90, 550	82, 276	1, 480, 299	43, 278	779, 004 Free.
Nickel in oxide.....	Cwt.	1, 077	20, 585	46	963	14, 419	288, 752	1, 134	22, 730 Free.
NON-METALLIC MINERALS AND PRODUCTS									
Abrasives, artificial, crude.....	Cwt.	197, 397	571, 806	56, 154	136, 343	1, 211, 140	3, 180, 607	650, 274	1, 840, 680 Free.
Asbestos.....	Ton	8, 998	545, 515	5, 015	272, 521	53, 735	2, 971, 785	30, 780	1, 672, 082 Free.
Asbestos sand and waste.....	Ton	14, 449	240, 193	10, 083	182, 098	109, 633	1, 849, 584	55, 715	982, 042 Free.
Feldspar and nepheline.....	Ton	2, 139	14, 858	3, 959	17, 752	12, 294	96, 684	18, 529	101, 527 50c. per ton, if crude.
Gypsum, crude.....	Ton	108, 707	124, 312	109, 065	124, 583	325, 059	369, 837	352, 556	403, 533 Free.
Lime.....	Cwt.	21, 551	9, 652	2, 801	1, 208	121, 161	50, 805	74, 442	29, 692 Various.
Talc.....	Cwt.	10, 749	5, 296	10, 191	5, 198	87, 574	43, 478	66, 200	34, 196 35c. ad val.
CHEMICALS AND ALLIED PRODUCTS									
Acetic acid.....	Cwt.	23, 086	123, 513	3, 518	18, 828	246, 213	1, 319, 714	25, 210	134, 919 2c. per lb. if over 65%.
Cobalt oxides and cobalt salts.....	Lb.	45, 150	57, 532			64, 770	82, 138		11c. per lb. if oxides.
Cyanamid.....	Cwt.	140, 004	149, 433	98, 972	105, 630	2, 001, 719	2, 220, 580	1, 867, 988	20c. ad val. if salts.
Sulphuric acid.....	Cwt.	1, 988	1, 203	3, 014	1, 868	16, 473	10, 379	11, 984	8, 675 Free.
MISCELLANEOUS COMMODITIES									
Organs.....	No.			2	11, 460	8	16, 261	9	34, 704 35c. ad val.
Total exports of above commodities.....		23, 147, 361			15, 474, 722		147, 390, 212		97, 735, 435
Total domestic exports to United States.....		40, 354, 377			21, 045, 369		271, 124, 289		143, 462, 143

(a) Reduced rates not applicable to imports of Douglas fir or Western hemlock in any calendar year in excess of an aggregate quantity of 250,000,000 feet, board measure.

IMPORTS INTO THE UNITED STATES OF PRODUCTS UNDER THE QUOTA PROVISIONS OF THE TRADE AGREEMENT

The following table prepared by the Canadian Trade Commissioner's office at New York from preliminary figures issued by the Treasury Department at Washington, shows the standing of the quotas provided for under the Canada-United States Trade Agreement up to July 30, 1938. The percentage of quota used by Canada up to July 31, 1937, is likewise given for comparison purposes:—

	Total of Quota	Reduction in Duty	Used by Canada		
			Total Amount	1938 Per Cent to July 30	1937 Per Cent to July 31
Cattle (700 lbs. or more) ..	155,799 head	3 to 2 cts. per pound	27,761	17.8	64.1
Calves (less than 175 lbs.)..	51,933 head	2½ to 1½ cts. per pound	29,977	57.7	98.9 (Quota filled in June)
Dairy cows	20,000 head	3 to 1½ cts. per pound	3,187	15.9	17.4
Cream	1,500,000 gallons	56½ to 35 cts. per gallon	4,397	0.29	5.0
Seed potatoes	750,000 bushels	75 to 60 cts per 100 lbs.	515,977	68.8	81.0
Unmanufactured lumber (Douglas fir and Western hemlock)	250,000 M ft. b.m.	Dec. 1 to end of February. 45 cts. Mar. 1 to Nov. 30 \$1.00 to 50 cts. per M ft. b.m. duty.	91,357 M ft. b.m.	36.5	30.8
Red cedar shingles ¹		\$3.00 to \$1.50 tax. Free	368,588 squares		144,409 squares

¹ The quantity of red cedar shingles allowable under the quotas for the last six months of the calendar year 1938, has not as yet been announced. However, imports of red cedar shingles from Canada were again permitted entry after July 1, 1938, and for the period of July 1 to July 30, there were 368,588 squares shipped, as against 144,409 squares for the same period of 1937.

During the period under review total imports of heavy cattle amounted to 53,795 head or 34.5 per cent of the quota allotment. Canada supplied 27,761 head or 17.8 per cent of the quota, while 26,034 head or 16.7 per cent of the quota came from Mexico. Imports of cattle under 175 pounds per head have almost all been from Canada with the exception of 2,063 head or 4 per cent of the quota which were imported from Mexico.

The seed potato quota begins on December 1, whereas all other quotas date from January 1.

ECONOMIC CONDITIONS IN SOUTH AFRICA, SECOND QUARTER, 1938

G. R. HEASMAN, CANADIAN TRADE COMMISSIONER

Cape Town, July 26, 1938.—With the Federal election past, it was expected that business, which has shown a tendency to lag, would improve. Unfortunately, there is little evidence that such is the case, and there is now a definite business drag. This was unavoidable, as at the rate which imports were entering the country over-stocking was bound to result, necessitating a period of slowing up for the gradual liquidation of these stocks.

Government receipts for the first three months of the present fiscal year amounted to £6,906,367, which compares with £7,555,908 in 1937. Expenditures against the corresponding revenue account amounted to £10,656,276 as compared with £9,714,568 for 1937. While Government revenue has dropped, expen-

diture has been maintained, in the light of which drastic tax reductions seem unlikely, although the year closed on March 31 with a surplus of over £4,000,000. Railway earnings are no longer creating records, and have already in numerous instances dropped behind earnings for corresponding periods last year.

The railways, however, contemplate much replacement work during the present fiscal year, which will entail an estimated total expenditure of £19,000,000. This consists of double tracking railway lines in many cases, remodelling and rebuilding railway workshops, stations, and harbour improvements. It also provides for the purchase of 136 steam locomotives, 34 electric locomotives, 405 coaching vehicles, 25 motor coaches, 3,407 goods vehicles, and 276 motor car vehicles.

FOREIGN TRADE

Exports for the five months ending May were valued at £48,311,000, which compares with £47,463,000 for 1937, this notwithstanding the fact that exports of wool at the end of May were only half of what they were during the same period last year.

The export of gold bullion, of course, accounts for the largest proportion of the exports, and the month of April was declared by the Chamber of Mines to be a record month, with production of 1,019,251 fine ounces, which is 6,735 fine ounces higher than the previous March record.

The total imports entering the Union of South Africa for the five months ending May, 1938, amounted to £36,888,000, as compared with £36,649,000 in the corresponding period of 1937.

While imports are up for the five-month period, they nevertheless were lower for the months of April and May, and there is no doubt but that total imports for the year will definitely be lower than last year.

The export subsidy system, which came into operation six years ago to enable primary producers to retain their overseas markets, came to an end on June 30. It is estimated that the Government has paid out well over £11,000,000 in the form of export subsidies during this time.

INDUSTRIAL CONDITIONS

A number of major industries report serious restrictions in output, especially the motor car industry and the boot and shoe industry at Port Elizabeth. While a number of the smaller factories are able to keep up their production, the larger factories are seriously affected. Building reports indicate that while plans for large buildings have declined, there is still considerable activity throughout the entire Union in the building of private homes and in government or municipal building schemes. Building plans passed by most municipalities of recent months have shown a decline. In Johannesburg for the month of May plans passed amounted to £507,775, which compares with £1,119,868 for May of last year, a drop of over 50 per cent.

The diamond industry shows no signs of reviving, being dependent, as it is, largely on economic conditions and prosperity in other countries, more especially the United States.

The cost of living index figure continues to rise, standing for the month of May at 1,235 as compared with 1,232 in April and 1,186 for the average of 1937, using 1,000 and 1914 as the base year.

AGRICULTURE

Farming conditions throughout the Union are, on the whole, satisfactory, with the exception of a small area in Natal where there has been a serious outbreak of foot and mouth disease. This has necessitated the slaughtering of approximately 15,000 head of cattle in an effort to eradicate the disease. The

Government is paying full compensation. The Government has recently announced schemes for the more orderly marketing of both wheat and maize. It is expected that with Government supervision the price of these two products will be stabilized at an economic and satisfactory level. Thousands of tons of wheat are now being imported to make up for a shortage in the Union.

Exports of deciduous fruits up to the end of May amounted to 89,265 tons, which compares with 74,124 tons last season. The citrus crop will be larger than was first anticipated, and the season is well advanced. Exports up to the end of May amounted to 10,708 tons compared with 7,152 tons during the same period last year.

LONDON TOMATO SITUATION

J. H. ENGLISH, CANADIAN TRADE COMMISSIONER

London, August 5, 1938.—The sale of Canadian canned tomatoes on the London market has been slow in the past month or so. Normally at this time of the year there have been heavy orders placed for the new crop. This year, however, buyers are finding unusually heavy purchases they made last year have not moved as readily as anticipated. Over a million cases of canned tomatoes were imported into the United Kingdom in 1937 from Italy, which was greatly in excess of the quantities imported from that source during the past few years. It was apparently thought that with the removal of trade restrictions Italian tomatoes would again meet a ready consumer demand, but a substantial stock of Italian tomatoes still remains on hand.

In 1937 there were also larger shipments of canned tomatoes from Canada than in any previous year, and many of these also remain on hand in this country. In these circumstances there has been and still is a good deal of natural reticence on the part of buyers making any substantial future commitments.

A certain amount of business has nevertheless been booked from time to time, and there appear to be prospects of trade opening up before long. One restricting factor which appears evident throughout the trade is that lower prices are generally expected. Earlier in the season business was booked in Canadian tomatoes at prices varying between 3s. 10½d. to 4s. per dozen c.i.f. With business continuing dormant, some packers in Canada began to lower prices. This resulted in a feeling among buyers here, which became general, that further price declines were inevitable. This view was greatly strengthened recently when several orders were accepted for Canadian 2½'s at 3s. 6d. per dozen c.i.f. Many importers now feel that there is little prospect of any large volume of business developing unless prices in general are reduced to about this figure. A price of 3s. 6d., however, appears to be lower than is necessary, but somewhere between this and 4s. would probably meet with some approval.

Currently, Italian 3's are being quoted at 4s. 3d. to 4s. 6d. per dozen c.i.f., to which duty of 10 per cent must be added. Some Italian producers are reported to be accepting 4s., but even at this figure comparatively little business has so far been booked. One importer who had orders for 75,000 cases of Italian tomatoes booked at this time last year has ordered less than 10,000 cases this year from this source. This is probably typical of the general situation. It is encouraging, however, that a number of leading importers are looking hopefully to September, when they believe there will be more activity in the trade.

During the first six months of 1938—from January to June—the arrivals of canned tomatoes in the United Kingdom totalled 376,000 cases, as compared

with 460,675 cases during the corresponding period of 1937. The chief sources of supply according to these figures were:—

	1938 Cases	1937 Cases
Spain . . . . .	.....	26,121
Italy	326,389	305,688
Canada	45,991	27,334
All other countries	4,220	101,532
Total	376,600	460,675

TRADE COMMISSIONERS ON TOUR

Mr. Yves Lamontagne, Canadian Trade Commissioner at Brussels, Belgium; Mr. A. B. Muddiman, Canadian Trade Commissioner at Milan, Italy (whose territory includes Spain, Portugal, Gibraltar, Malta, Albania, and Yugoslavia); and Mr. M. J. Vechsler, Canadian Trade Commissioner at Lima, Peru (whose territory includes Bolivia, Ecuador, and Chile), are visiting the principal industrial centres of Canada in the interest of Canadian trade with their respective territories. Their itineraries are as follows:—

Mr. Lamontagne

Montreal	Aug. 22 to 25	Halifax	Aug. 30
Granby	Aug. 26 and 27	Quebec City	Sept. 1
Saint John	Aug. 29	Ottawa	Sept. 2

Mr. Muddiman

Montreal	Aug. 22 and 23	Ottawa	Aug. 24 and 25
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Mr. Vechsler

Vancouver	Aug. 22 to 24	Toronto	Sept. 6 to 20
Kelowna	Aug. 26	Ottawa	Sept. 23
Edmonton	Aug. 31		

Firms who wish to be brought in touch with the Trade Commissioners should communicate: for Toronto, Edmonton, and Vancouver, with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other centres, with the respective Board of Trade or Chamber of Commerce.

SWITZERLAND'S TRADE WITH CANADA IN 1937

W. G. STARK, ASSISTANT TRADE COMMISSIONER

(For ton read metric ton, which equals 2,205 pounds; one franc equals \$0.23 at present rate of exchange, though prior to devaluation on September 26, 1936, it equalled approximately \$0.33.)

Rotterdam, July 21, 1938.—According to official returns, imports from Canada into the Confederation have declined by about 12½ per cent in 1937 as compared with the preceding year. Exports of Swiss merchandise to the Dominion, on the other hand, have increased by about 81 per cent. The combined value of imports and exports for 1937 is greater than the 1936 total trade by approximately 10 per cent.

TRADE FIGURES

According to figures of the Dominion Bureau of Statistics, Canadian exports to Switzerland were valued at \$618,000 for 1937 as compared with \$411,000 in 1936. However, Canadian goods destined for the Confederation cannot be sent direct and are mostly transhipped either at Rotterdam or Antwerp. Since

most of the merchandise is billed only to the European port, it is not always possible at the time of export to identify all the Canadian products which eventually enter Switzerland. Certain firms also make up orders from stocks held either in the United Kingdom or France. Trade figures given in this report are therefore taken from the Swiss returns.

As for arrivals in Canada of Swiss goods, according to the Dominion Bureau of Statistics, these were valued at \$3,446,000 during the period under review, an \$864,000 increase over the 1936 total of \$2,582,000. The total combined value of Canada's exports to and imports from Switzerland in 1937 is therefore \$4,064,000 as against \$2,993,000 in the previous year, a gain of approximately \$1,071,000. The Swiss statistics, however, for the reasons mentioned above, place a higher value—roughly equivalent to \$9,000,000 or \$10,000,000—on the exchange of merchandise between the two countries for each of the last two years.

TRADE TOTALS

According to the official returns of the Federal Customs authorities at Berne, the total trade passing between Switzerland and Canada in 1937 was valued at 38,529,000 francs, an increase, when compared with the total of 35,060,000 in 1936, of 3,469,000 francs or approximately 9.9 per cent. This is due entirely to larger Swiss exports, which more than made up for the decline in arrivals from Canada.

The value of imports from the Dominion during 1937 is estimated at 23,312,000 francs as against 26,682,000 francs for the previous year. There was, therefore, a falling off of 3,370,000 francs, or about 12.6 per cent, due mainly to lessened purchases of Canadian wheat, for which increases in other lines were not sufficient to compensate. This decline is even more noticeable in the quantity figures, for the total weight of arrivals from Canada in 1937 was but 83,043 metric tons as compared with 161,552 tons in 1936.

The total value of exports to Canada was estimated at 15,217,000 francs in 1937 as compared with 8,378,000 francs during the previous year. There was, therefore, an increase of 6,839,000 francs or about 81.6 per cent. This gain is not attributable to one or two lines only, but is spread over almost the entire range of commodities shipped to the Dominion.

The table below shows the trade totals for the past six years. Figures are given for both weight and value for imports, due to the quantity influence of cereal and raw material shipments; but for exports, as these are mainly articles of more worth than bulk, figures are for value only:—

Swiss Trade with Canada, 1932 to 1937

Year	Imports from Canada		Exports to Canada	Total Trade
	M. Tons	1,000 Frs.	1,000 Frs.	1,000 Frs.
1932	331,436	47,731	10,809	58,540
1933	258,533	35,430	9,484	44,914
1934	93,426	15,447	7,219	22,666
1935	66,037	12,850	7,769	20,619
1936	161,552	26,682	8,378	35,060
1937	83,043	23,312	15,217	38,529

As total imports from all countries into Switzerland in 1937 were valued at 1,807,167,000 francs and total exports at 1,286,050,000 francs, Canada thus furnished 1.29 per cent of all imports and purchased 1.18 per cent of all Swiss exports.

The visible balance of trade in 1937 is again in Canada's favour to the extent of 8,095,000 francs or approximately \$1,862,000. In 1936 the favourable balance stood at 18,304,000 francs (roughly \$4,209,000) and in 1935 at 5,081,000 francs (\$1,676,000 at the rate then prevailing), approximately equal to the value for the period under review.

NATURE OF THE BILATERAL TRADE

Imports from Canada into Switzerland are mainly foodstuffs, of which wheat is the principal commodity. Arrivals under this group were valued at 18,357,000 francs in 1937 as compared with 23,987,000 francs in 1936. Raw materials, chiefly metals and animal products, are second, accounting for 4,108,000 francs (2,243,000 francs in 1936), and manufactured goods are third with a value of 847,000 francs (452,000 francs).

Swiss exports to Canada are principally manufactured articles. The values for the three export groups in 1937, with 1936 totals within parentheses, are as follows: foodstuffs, 323,000 francs (203,000 francs); raw materials, 10,000 francs (24,000 francs); manufactured products, 14,884,000 francs (8,151,000 francs).

IMPORTS FROM CANADA

CEREALS

Wheat is the principal Canadian product imported into Switzerland. Arrivals of this cereal in 1937 amounted to 68,422 tons valued at 16,348,000 francs and thus accounted for 82 per cent of all imports by weight and 70 per cent by value. In 1936 Canadian wheat imports were much greater, being 155,470 tons valued at 23,516,000 francs, or approximately 96 per cent of all arrivals in that year by weight and 88 per cent by value.

Price, while still one of the factors influencing Swiss purchases of wheat, is not the governing condition, due to the monopoly control of the wheat trade exercised by the federal authorities. Quotas are fixed arbitrarily, taking into consideration the balance of payments between Switzerland and the possible supplying countries, and the grain trade must abide by these governmental allocations. Canada's share of the total wheat consumed in the Confederation has declined from a long-run average of 50 per cent to around 12 in 1935, rising in 1936 to 34 and falling again to approximately 16 per cent by weight during the period under review.

Barley imports credited to the Dominion in 1937 amounted to 7,928 tons valued at 1,372,000 francs. While the main portion of these supplies would probably be Canadian, there is some inclusion of United States barley shipped from Montreal. Oats from Canada, principally for army requirements, was entered to the extent of 1,554 tons valued at 321,000 francs. Rye imports totalled 340 tons at 63,000 francs. The table below shows the nature and importance of the Dominion's cereal trade with the Confederation during the last three years:—

Imports of Cereals from Canada into Switzerland

	1935		1936		1937	
	M. Tons	1,000 Frs.	M. Tons	1,000 Frs.	M. Tons	1,000 Frs.
Wheat.	57,368	7,202	155,470	23,516	68,422	16,348
Rye . . . . .	.....	.....	50	6	340	63
Oats	2,524	317	2,481	311	1,554	321
Barley. . . . .	.....	.....	.....	.....	7,928	1,372
Other cereals . . . . .	.....	.....	.....	.....	40	8
Total cereals	59,892	7,519	158,001	23,833	78,264	18,112
Total other products. . . .	6,145	5,331	3,551	2,849	4,779	5,200
Grand total	66,037	12,850	161,552	26,682	83,043	23,312

COMMODITIES OTHER THAN CEREALS

For 1937 a considerable increase is noticeable in the total of imports from Canada of all commodities other than cereals. Combined arrivals of copper in wire and rods and in blocks, ingots, etc., account for over 50 per cent of the

total under this heading. Zinc is next in order of importance, followed by animal hair, while aluminium, raw hides and skins, aluminium alloys, and asbestos are the only other commodities which were imported to a value in excess of 100,000 francs (approximately \$23,000 at current rate). Animal casings, rubber tubings, lumber, ferro-chromium and ferro-silicon, canned lobster, frozen fish, and grass and clover seeds follow in descending order of value. The chief advance was made by copper wire and rods, shipments of which are over 250 per cent greater than in 1936.

Increases are also noticed for zinc, animal hair, aluminium alloys, aluminium, and asbestos. There were larger arrivals of ferro-silicon, while imports of cutlery, gold articles, and bleached chemical pulp are additional to the range of goods imported in 1936. Advances are, however, general over the majority of the commodities imported from Canada, and the number of these is also somewhat greater than during the previous year. Declines occurred chiefly in shipments of copper, lead, and upper leather (box calf).

The table appended lists the imports of all Canadian products in 1937 (other than cereals) valued individually at over 1,000 francs (\$230), together with comparative figures for 1936 and the increase or decrease under each item.

Imports into Switzerland from Canada of All Products Other than Cereals

Commodity	1937 Figures in Thousands of Francs	1936	Increase	Decrease
Total	5,200	2,849	2,351	....
Copper, wire, rods, etc.	1,996	765	1,231	....
Copper	628	832	....	204
Zinc	387	....	387	....
Animal hair	353	140	213	....
Aluminium	325	217	108	....
Hides and skins, raw	244	231	13	....
Aluminium alloys	148	....	148	....
Asbestos	114	14	100	....
Casings, animal	97	67	30	....
Rubber tubing	88	94	....	6
Lumber	88	67	21	....
Ferro-chromium and ferro-silicon .. .	84	13	71	....
Canned lobster	69	69	....	....
Fish, frozen	53	25	28	....
Grass and clover seeds	50	29	21	....
Fish (except lobster), dried and canned, incl. salmon	41	31	10	....
Spirits	33	17	16	....
Cutlery	33	....	33	....
Hides and skins, tanned and curried ..	29	12	17	....
Gold articles	26	....	26	....
Wood-pulp, chemical and bleached .. .	23	....	23	....
Wood-pulp, chemical, unbleached .. .	18	14	4	....
Sensitized paper	18	....	18	....
Iron and steel products	17	6	11	....
Agricultural tools	15	8	7	....
Vegetable alkaloids	15	....	15	....
Rubber footwear	12	14	....	2
Precision instruments	12	5	7	....
Apples, fresh	11	....	11	....
Serums and vaccines	11	....	11	....
Wallboard	11	5	6	....
Metals n.o.p.	10	....	10	....
Copperware	10	6	4	....
Tomato conserves	9	3	6	....
Silk stockings	9	....	9	....
Dried fruits, apples	9	....	9	....
Toys and sports goods	8	4	4	....
Animal greases	7	....	7	....
Clays and earths	6	....	6	....
Canned goods n.o.p.	6	5	1	....
Frozen meat	5	....	5	....
Chemicals for pharmaceutical uses .. .	5	6	....	1
Rubber belting	5	....	5	....
Ochres, etc.	4	....	4	....
Canned vegetables n.o.p.	3	1	2	....

Imports from Canada of Products Other than Cereals—(Con.)

Commodity	1937 Figures in	1936 Thousands of	Increase	Decrease
				Franks
Raw materials for pharmaceutical uses	3	....	3	....
Condensed soups.. . . .	2	3	....	1
Mastics	2	1	1	....
Tools, n.o.p.	2	1	1	....
Candies and sweets	2	....	2	....
Insulators	2	....	2	....
Machinery n.o.p.	2	....	2	....
Rubber manufactures n.o.p.	2	....	2	....
Mineral waters	1	....	1	....
Lead .. . . .	....	53	....	53
Upper leather (box calf) .. . . .	....	21	....	21
Emery, crude .. . . .	....	7	....	7
Platinum .. . . .	....	6	....	6
Brushware.. . . .	....	6	....	6
Wool, raw .. . . .	....	5	....	5
Footwear of all sorts, for children .. . . .	....	4	....	4
Tissues, rubber-coated .. . . .	....	2	....	2
Woollen goods, knitted.. . . .	....	2	....	2
Batteries, electric .. . . .	....	1	....	1

Prospects for 1938 are not considered favourable and the total of imports so far this year reveals a decline as compared with the 1937 similar period. The application of the quota system to the majority of goods which Canada is in a position to supply to the Confederation limits the opportunities of trading.

EXPORTS TO CANADA

Both the number of lines of Swiss goods exported to the Dominion, as well as their values showed a considerable increase over shipments in 1936. The value of exports in 1937 was 15,217,000 francs as against 8,378,000 francs in 1936, a gain of 6,839,000 francs or roughly 81.6 per cent.

Chief increases are noted for watch movements, electric dynamos and transformers, aniline dyes, tresses of straw, and current rectifiers. In descending order of value, the following were the principal Swiss exports to Canada: watch movements, aniline and other dyes, electric dynamos and transformers, tresses of straw, wrist watches, and current rectifiers.

The principal type of products forwarded is fully manufactured goods for use with little or no further processing in the Dominion. Watch and watch products are of main importance, accounting for 4,956,000 francs or roughly one-third of all exports, followed by chemicals, including aniline dyes, at approximately 2,900,000 francs. Machinery occupies third place as a group at roughly 2,600,000 francs, with textiles in fourth position at 2,275,000 francs. Materials for hatters account for 904,000 francs; current rectifiers and insulators, 548,000 francs; cheese, 294,000 francs; aluminium alloys and articles, 285,000 francs; leather footwear, 128,000 francs; and books and prints, 39,000 francs. The groups mentioned above include 98 per cent of all Swiss exports to the Dominion.

The appended table includes all articles supplied to Canada in 1937, listed in the order shown in the official returns, individual value of which exceeded 10,000 francs (roughly \$2,300).

Exports of Swiss Goods to Canada in 1937

Commodity	1,000 Frs.	Commodity	1,000 Frs.
Total	15,217	Curtains	97
Chocolate.. . . .	18	Handkerchiefs, collars, etc.. . . .	56
Cheese.. . . .	294	Embroideries, cotton.. . . .	52
Leather footwear.. . . .	128	Embroideries on tulle	27
Woodwork	14	Fancy articles and dresses.. . . .	178
Books	16	Embroideries, linen	87
Prints.. . . .	23	Pure and floss silk.. . . .	127
Cotton fabrics	277	Artificial silk	13

Exports of Swiss Goods to Canada in 1937—(Con.)

Commodity	1,000 Frs.	Commodity	1,000 Frs.
Silk bolting gauze	14	Electrical apparatus, mainly for autos	32
Mixed silk piece-goods	10	Finished parts of clocks and alarm clocks	10
Fabrics of pure and floss silk	118	Clocks	11
Fabrics of pure and floss silk mixed with other textiles	143	Watch movements	3,712
Fabrics of artificial silk only	89	Watch cases	55
Fabrics of artificial silk with other materials	99	Watch parts, finished but not assembled	270
Printed fabrics of artificial silk only	145	Watch moulds	33
Printed fabrics of artificial silk with other textiles	13	Pocket watches	119
Ribbons of silk and other materials	20	Wrist watches	727
Ribbons of artificial silk only	157	Watches, miscellaneous	20
Ribbons of artificial silk, mixed . .	20	Precision instruments, gas meters, counters, etc.	85
Embroideries of silk	71	Typewriters	78
Wool yarns and fabrics	16	Cash registers, adding and book-keeping machines	82
Tresses of straw	816	Electric batteries	19
Cotton shirts	13	Electric meters	21
Lingerie, linen, cotton, etc.	312	Gramophones, movie machines . .	35
Silk lingerie	12	Current rectifiers	535
Articles of wool	99	Music boxes	16
Ladies' outer clothing of cotton . .	12	Vegetable alkaloids	66
Ladies' outer clothing, n.o.p.	12	Chemicals for pharmaceutical uses	84
Hats, untrimmed	87	Pharmaceutical products, miscellaneous	191
Porcelain insulators	13	Perfumes and cosmetics	66
Watch tools	13	Sodium salts	59
Aluminium	57	Chemicals for industries, n.o.p. . .	12
Aluminium alloys	158	Raw materials for dye manufacturing	18
Articles of aluminium	70	Benzol chloride and naphtha	15
Steam boilers	118	Starch paste	59
Weaving and knitting machines . .	93	Aniline and other dyes	2,300
Electric dynamos and transformers	1,371	Turkey red oil	15
Steam engines	232	Washing powders	22
Motors, gas, gasoline, etc.	252	Haberdashery, n.o.p.	26
Machine tools	51		
Machines for the food industries . .	52		
Machines, n.o.p.	73		

MARKET FOR FEEDSTUFFS IN THE NETHERLANDS

J. A. LANGLEY, CANADIAN TRADE COMMISSIONER

(One guilder or florin equals approximately Can.\$0.56 at the current rate of exchange, at which all conversions have been made. One metric ton equals 2,205 pounds; one kilo equals 2.2 pounds.)

Rotterdam, July 29, 1938.—Although dairying is the principal branch of Netherlands agriculture, the production of live stock follows in a leading position. Despite the fact that during the last six years legislation has been in effect by which the breeding of cattle in the Netherlands is restricted, there are a large number of animals, as may be seen from the following census figures taken in August, 1937:—

	Number
Cows, calves and bulls	2,626,717
Hogs	1,406,366
Sheep	608,333
Horses	300,000

Sufficient precipitation aids in maintaining very good pasture conditions for the greater part of the year while ample supplies of fodder are available for the relatively short period when shelter for the animals is necessary.

A considerable percentage of the required feeding stuffs is grown or manufactured in the country. The appended table shows the acreage sown to various kinds of fodder in 1937 and 1938, as well as the average during the period 1927-1936:—

	1937	1938	Average 1927-1936
	Acres	Acres	Acres
Oats	362,973	361,352	353,815
Barley	121,195	115,638	73,962
Mangel and other fodder beets	119,858	122,421	107,370
Clover	56,512	56,462	72,133
Grass	45,382	47,626	45,694
Other green feeding stuffs	18,107	16,287	16,840

In 1937 the total production of oats was 386,517 metric tons; barley, 148,925 metric tons; and mangel and other fodder beets, 2,864,441 metric tons.

No figures are available showing the yield of hay and straw. In 1937 and 1938 the total area sown to cereals amounted to 1,365,210 acres and 1,383,501 acres, respectively. From these figures it is apparent that the production of hay and straw is large enough to cover domestic requirements. In addition, exports are made to Belgium, Germany, France and a few other countries. There are also small imports of hay and straw from Germany and Belgium, but these represent mainly border traffic.

As regards the 1938 crops, the position on July 18 was, according to an official report published by the Netherlands Department of Agriculture, as follows:—

Winter barley has been unfavourably affected by heavy winds. The condition of summer barley and oats varies from good to very good. As a result of the cold weather during the second quarter of 1938, all cereals crops have short stalks, so that on the whole the yield of straw will not be great.

As far as fodder beets are concerned, prospects are good. The position of red clover is fairly good. The first cut was satisfactory both as regards yield and quality, but the second cut will be less. The white clover crop is good.

Alfalfa varies from good to fair.

Pastures have been greatly affected by drought. At the end of June the position in the higher regions was decidedly poor but precipitation during the last few weeks has had a very favourable effect. The average condition is fair.

The hay harvest varies considerably in the different parts of the country. A large yield has not been obtained but the early cut crop is of fair to good quality. The late cut hay had to remain too long on the field, as a result of which the quality was unfavourably affected. On sandy soils the yield is fairly small.

IMPORTS AND SOURCES OF COMPETITION

As already stated, the Netherlands production of hay and straw is usually sufficient to cover domestic requirements, although there is a small volume of border traffic with Germany and Belgium.

As regards oats and barley, foreign imports are always necessary to supplement the home production.

The following tables show imports into the Netherlands of various kinds of feedstuffs during the years 1936 and 1937, as well as during the first half of the current year:—

Country of Origin	Oats				January-June, 1938	
	1936		1937		1938	
	M. Tons	1,000 Fl.	M. Tons	1,000 Fl.	M. Tons	1,000 Fl.
Total	15,993	585	45,903	2,603	44,267	2,338
Belgium	244	9	538	32	.....	.....
Great Britain	293	13.5	25	3	.....	.....
Poland, Danzig	3,105	109	.....	.....	.....	.....
Lithuania	238	6	.....	.....	.....	.....
Canada	2,446	107	7,115	553	2,546	193
Chile	3,384	118	188.5	7	.....	.....
Argentina	5,325.5	183	37,837	1,997	41,720	2,145
United States	958	39	.....	.....	.....	.....
Brazil . . . . .	.....	.....	200	11	.....	.....

Barley

Country of Origin	1936		1937		January-June, 1938	
	M. Tons	1,000 Fl.	M. Tons	1,000 Fl.	M. Tons	1,000 Fl.
Total	249,305	9,102	238,434	14,750	98,717	5,940
Germany . . . . .	.....	.....	94.5	6	.....	.....
Belgium	1,770.5	63	924	70	343	22
France . . . . .	.....	.....	400	29	.....	.....
Czechoslovakia	7,793	472	522	46	2,494	241
Soviet Russia	45,550 ¹	1,413	43,418	2,677	8,319	504
Poland, Danzig	50,386	1,730	10,590	888	9,638	603
Bulgaria	1,100	58	6,468	396	476	31
Denmark . . . . .	.....	.....	599	47	.....	.....
Italy . . . . .	.....	.....	250	16	.....	.....
Roumania	28,917	1,211	19,758	1,128	.....	.....
Yugoslavia . . . . .	.....	.....	509	35	.....	.....
Turkey . . . . .	.....	.....	2,891	188	7,457	439
Iraq	6,592.5	244	7,119	416	.....	.....
Iran	2,838.5	102	6,606	390	.....	.....
Canada	2,392.5	73	36,372	2,131	20,451	1,112
Chile . . . . .	.....	.....	398	36	.....	.....
Argentina	93,470	3,456	75,115	4,707	21,688	1,377
United States	7,623	241	26,400	1,545	26,359	1,526
Syria	350	20	.....	.....	.....	.....
Hungary	41	4	.....	.....	.....	.....
Australia	479	15	.....	.....	.....	.....
Lithuania . . . . .	.....	.....	.....	.....	700	37

¹ Of which 2,458 metric tons valued at Fl. 97,139 were re-exported.

Fodder, n.o.p.; Unthreshed Cereals

Country of Origin	1936		1937		January-June, 1938	
	M. Tons	1,000 Fl.	M. Tons	1,000 Fl.	M. Tons	1,000 Fl.
Total	11,173	565	15,180	939	10,123	680
Germany	363	16.6	1,612	18	.....	.....
Belgium	865	46	2,454	152	892	59
Great Britain	2,627	177.5	1,529	172.6	906	137
France	1,137.5	51.5	1,606	109	3,190	191
Czechoslovakia	30	7	107	32	.....	.....
Norway . . . . .	.....	.....	284	19.5	.....	.....
Sweden . . . . .	.....	.....	20.5	4.5	.....	.....
Poland	41	7	9	2	.....	.....
Denmark	59	2	10.5	3	.....	.....
Eire	1,377.5	104	815	119	683	77
Austria	53.6	12	.....	.....	.....	.....
British West Africa . . . . .	.....	.....	60	3	.....	.....
South Africa . . . . .	.....	.....	78	7.5	.....	.....
Canada . . . . .	.....	.....	15.5	1.5	.....	.....
Argentina	4,406	134	6,547	292	3,875	172
United States	100	4	29	3	.....	.....
Brazil	100	4	.....	.....	.....	.....

Bran, Pollards and Middlings

Country of Origin	1936		1937		January-June, 1938	
	M. Tons	1,000 Fl.	M. Tons	1,000 Fl.	M. Tons	1,000 Fl.
Total	5,470	162	6,938	348	6,045	327
Belgium . . . . .	.....	.....	291	11.5	.....	.....
France	994	29	1,931	100	.....	.....
Poland	274	8	47.5	1.5	.....	.....
Italy . . . . .	.....	.....	422	22	.....	.....
Portugal	701	20	200	10	.....	.....
Yugoslavia . . . . .	.....	.....	879	43	.....	.....
Switzerland . . . . .	.....	.....	67	4	.....	.....
Argentina	3,351	100	2,908	146	3,777	198
Brazil	150	4	190	10	950	52
Turkey . . . . .	.....	.....	.....	.....	1,162	68
Palestine . . . . .	.....	.....	.....	.....	136	8

Offal of Grain and Seeds, n.o.p.

Country of Origin	1936		1937		January-June, 1938	
	M. Tons	1,000 Fl.	M. Tons	1,000 Fl.	M. Tons	1,000 Fl.
Total	4,930	173	910	41	566	23
Belgium	477	14	92	4	121	5
Great Britain	5.5	0.5	.....	.....	.....	.....
Greece . . . . .	.....	.....	140	6	.....	.....
Argentina	4,416	157	650	29.5	416	18

CURRENT MARKET CONDITIONS

At the moment little business is being done in hay and straw. The old crops have largely been cleared. New crop barley straw is now being sold at fl.8 per 1,000 kilos (\$4.48 per 2,205 pounds), free farm. As regards wheat, oat and rye straw, both buyers and sellers are assuming a waiting attitude.

Small quantities of new crop hay of good quality have been recently offered at fl.16.50 per 500 kilos (\$9.24 per 1,100 pounds), free farm, while some old crop parcels were sold at fl.15 (\$8.40). Prices quoted for second quality old crop hay varied from fl.12 to fl.9 (\$6.72 to \$5.04) per 1,100 pounds, free farm.

The market for feeding grains is on the whole quiet. On July 28, 1938, the following prices were prevailing:—

	Per 220 Pounds, F.o.b. Rotterdam
Bran	\$3.70
Pollards	3.70
Middlings	3.86/\$3.98
Oats (La Plata)	3.58
Barley (La Plata)	3.92

The above prices are inclusive of an import duty of one per cent ad valorem and a monopoly tax of fl.1.50 per 100 kilos (\$0.84 per 220 pounds).

MARKET REQUIREMENTS

As far as hay and straw are concerned, there are no special requirements as to quality or grade. The merchandise is usually bought by dealers direct at the farm, where it is inspected. Packing is mostly in bundles of 50 kilos (100 pounds).

Business in domestic oats and barley is based on samples representing the average quality of the parcels in question. For foreign oats and barley the usual standard grades apply.

TRADING PRACTICES

In most cases feedstuffs are sold direct by the exporter to the Netherlands importer. Payment is usually made on the basis of cash against documents on arrival of the goods. Offers should preferably be c.i.f. Netherlands ports, since it is extremely difficult to secure exact eastbound freight rates at this end.

CUSTOMS DUTIES, IMPORT REGULATIONS, DOCUMENTATION

Duties.—The Netherlands has a one-column tariff and imports from all countries pay the same rate of duty.

Hay, straw, and fodder, n.o.p. are dutiable at the rate of one per cent ad valorem.

Oats, barley, bran, pollards and middlings, and offal of grain and seeds, n.o.p., are dutiable at one per cent ad valorem plus a monopoly tax of fl.1.50 per 100 kilos (appr. \$0.84 per 220 pounds).

Import Regulations.—Hay and straw may be imported freely. For the entry of oats, barley, bran, pollards, middlings, offal of grain and seeds, n.o.p. and most other kinds of feedstuffs a permit is required, which must be secured by the importer from the Central Netherlands Flour Office at The Hague.

Documentation.—The invoice requirements for shipments to the Netherlands are simple. No special forms or consular invoices are needed. For ordinary transactions the importer presents the commercial invoices at the customs house upon arrival of the merchandise and the duty is paid upon the value given thereon, which must include freight, packing, transportation charges and insurance.

Currency Restrictions.—There is no transfer moratorium in the Netherlands as far as imports from Canada are concerned. Payment is made under normal conditions.

POSSIBILITIES FOR CANADIAN FEEDSTUFFS

For many years there have been regular imports of Canadian oats and barley into the Netherlands and, provided prices and quality are competitive, there is no reason why future business should not be possible.

There have never been any Netherlands purchases of straw from the Dominion and it is unlikely that imports will occur as the Netherlands production of this commodity is large enough to cover domestic requirements.

Hay is also available in sufficient quantities. In previous years when domestic prices were high and Canadian quotations low, importers have found it profitable to bring in small quantities of hay from the Dominion. The weights and c.i.f. values of these imports are shown below:—

Year	M. Tons	Value
1928	47.6	Fl. 2,621 (\$1,054)
1929	234	Fl. 15,700 (\$6,311)
1934	90	Fl. 2,778 (\$1,861)

(In 1928 and 1929 one guildler or florin equalled \$0.402 and in 1934, \$0.67. Conversions have been made on this basis.)

From local trade information secured, it will not likely be possible to ship any Canadian hay to the Netherlands during the forthcoming season, not only because of sufficient domestic supplies being available but also on account of the high ocean freight rates, which would render any business with the Dominion in this commodity uneconomical.

WHEAT AND FLOUR TRADE REGULATION IN NORWAY

RICHARD GREW, CANADIAN TRADE COMMISSIONER

Oslo, July 26, 1937.—With the exception of minor changes, the regulations governing the wheat and flour trade in Norway have remained substantially the same as a year ago.

There are no official restrictions on the importation of wheat and flour into Norway, and there is no tariff on these commodities. The import trade in grain and flour is, however, conducted exclusively by the Norwegian State Grain Monopoly, "Statens Kornforretning," which regulates and controls the trade in accordance with the policy of the Government.

THE STATE GRAIN MONOPOLY

The Monopoly, in its present form, was established by The Grain Law of June 22, 1928, which came into force on July 1, 1929. The law provides that the Monopoly will be conducted by a managing director with a board of seven members elected by Parliament for a period of three years. Decisions always rest with the director, except in cases of great importance when the matter must be referred to the Department of Agriculture and Fisheries. In cases where the unanimous opinion of the board is contrary to the opinion of the director, the question must also be referred to the Department.

The functions of the Monopoly are threefold:—

- (1) To import from abroad such quantities of grain and flour as are necessary to meet the requirements of the country.
- (2) To buy all home-grown grain offered for sale by growers.
- (3) To sell the products in the most expedient way and at the lowest possible price.

In discharging their duties with respect to the import of grain and flour the Monopoly, like a private company, strive to take full advantage of market

fluctuations and to purchase their requirements at the lowest possible price. With respect to the purchase of home-grown grain, however, the Monopoly adopts a paternal attitude and seeks to pay the Norwegian grower as much as possible for his grain without unduly raising the price of flour.

IMPORT AND DISTRIBUTION

The Monopoly is obliged by law to buy all home-grown bread grain fit for human consumption offered by the farmers. Imports of foreign grain and flour, therefore, represent only requirements over and above domestic offerings. Purchases of foreign wheat and flour are made on the basis of offers submitted daily by the resident agents of the grain exporters and flour millers. Wheat from North America and the Argentine is usually bought f.o.b. the different loading ports, which enables the Monopoly to utilize Norwegian shipping and insurance services. Wheat from other markets and wheat flour are usually bought f.o.b. Norway.

HANDLING OF WHEAT

On arrival in Norway, all wheat and flour shipments are carefully inspected by the Monopoly. The wheat is then delivered to the merchant mills, usually located at the ports, which are under contract to receive and grind the grain in accordance with instructions from the Monopoly. The mills store the flour and mill-feed and dispose of these commodities at their own responsibility, at prices fixed by the Monopoly. The mills are paid a fixed rate for grinding the wheat and storing and disposing of the flour and mill-feed.

HANDLING OF FLOUR

Imported flour is similarly handled. Following inspection at the port of entry, it is taken over by specified wholesale houses which are under contract with the Monopoly to distribute it at their own risk against a certain compensation. The selling price for each type of flour is the same all over the country, freight charges being equalized by the Monopoly. Changes in prices are telegraphed to all mills and wholesale dealers and are put into force simultaneously all over the country. The selling prices are calculated on the basis of prices on the world's market, but only on its broad features, as frequent changes are avoided if possible. New prices apply to all stocks at the mills and in the hands of wholesale merchants, and losses or gains occasioned through changes in price are adjusted between the different mills and wholesalers and the Monopoly.

The activities of the Monopoly have in large measure deprived private firms of their commercial independence. Nevertheless, the mills, flour importers and agents are still able to carry on their business on comparatively satisfactory terms in co-operation with the Monopoly. Private importers of feeding stuffs are still permitted to import necessary quantities of mill-feed under special licence issued by the Monopoly.

SELLING PRICES

In fixing the selling price of flour, the Monopoly works on the principle that it shall pay its own expenses and leave a moderate profit to be used in various ways for the promotion of business. At present Canadian straight flour is being sold by the Monopoly at Kr.34.75 per 100 kilos, or about \$8.69 per bag of 100 kilos, which is a decrease of \$1 per 100 kilos from the previous year. The cost to the Monopoly c.i.f. was recently \$6 per bag of 100 kilos. The difference between the selling price in Norway and the c.i.f. cost works out to approximately \$2.69 per 100 kilos. This may appear to be a considerable spread between cost and selling price. It must be remembered, however, that no duty is levied on

imported flour and that, if the grain trade were entirely in the hands of commercial firms, a duty would be levied which would roughly equal the present difference between the c.i.f. cost and the selling price. Flour milled in Norway from Canadian and other imported wheat is being sold at Kr.34.00 per 100 kilos, or about \$8.50 per bag of 100 kilos, a decrease of \$1 per 100 kilos from a year ago. The Monopoly try to strike a selling price which can be maintained for a period of six months regardless of fluctuations in the cost of imported wheat and flour, and the prices at present in force have been in effect since the first of April. At the beginning of the crop year, which in Norway commences September 1, the question of altering prices is again considered.

BUYING DOMESTIC GRAINS

The buying of home-grown grain is undertaken by approximately 80 local collectors who work for the Monopoly on a commission basis. These collectors receive statements from the farmers as to quality and quantity, make out contracts and report weekly to the Monopoly. Instructions as to inspection and shipment of the grain are regularly furnished by the Monopoly. Payment is made direct to the farmers from the Monopoly.

The Grain Law provides that domestic wheat, rye and barley shall be purchased at prices based on the Monopoly's selling prices of grain products, that is to say, the flour prices converted into grain, with milling expenses and the price of mill-feeds deducted. As all selling prices of flour are based on c.i.f. delivery to steamship and railway stations, these prices include the average freight expenses, which are also included in the buying prices for home-grown grain, thus making these grain prices correspondingly higher than the prices for imported grain.

WHEAT PRICES AND SUBSIDIES

Norwegian farmers are guaranteed a minimum price of 22 to 24 öre per kilo for wheat, without bags, which amounts to from \$1.50 to \$1.64 per bushel in Canadian currency. The Government has authorized the Monopoly to pay at least that price for domestic wheat regardless of the selling price of flour, and the Government reimburses the Monopoly out of treasury funds for all such emergency payments made to farmers to bring the price up to the guaranteed minimum.

From 1929 to 1934 inclusive, the Monopoly paid, on the average, Kr.5.37 per 100 kilos (about 37 cents per bushel) above the ordinary c.i.f. price for imported wheat. The actual present price for domestic wheat is Kr.24.50 per 100 kilos, without bags (about \$1.69½ per bushel) as compared to Kr.25.75 per 100 kilos (about \$1.78 per bushel) three months ago and Kr.27.50 per 100 kilos (about \$1.87 per bushel) one year ago.

ASSISTANCE TO OUTLYING DISTRICTS

The Monopoly has, in the past, found it inconvenient and difficult to handle the bread grain produced in the outlying districts, far removed from the large mills. Growers in such districts were encouraged to haul their grain direct to the local country mills, where it was ground at a fixed milling charge and returned to them for home consumption. Growers in such districts were nevertheless entitled to the same subsidy as they would have received had they sold their grain to the Monopoly. In order to compensate them in this regard, the Monopoly paid them Kr.4.00 (about \$1) for every hundred kilos of wheat, rye and barley delivered to the country mills and taken back for home consumption. To this bounty the Government added a further emergency bounty of Kr.5.00 (about \$1.25) per 100 kilos, which was paid out of the treasury, bringing the total premium or bounty paid them to Kr.9.00 per 100 kilos, or about 61 cents per bushel.

A new regulation has now come into force, however, by which the farmer in the outlying districts only receives the bounty of Kr.9.00 for an amount which is considered sufficient for their requirements including seed and feeding. For any additional quantity above his own requirements which he may harvest, the farmer receives the regular purchase price which the Monopoly has set, namely Kr.24.50 per 100 kilos, thus enabling the Monopoly to maintain the same price for flour throughout the whole country.

IMPORTS OF WHEAT

The following table shows the quantity of wheat that has been imported into Norway from 1930 to 1937 inclusive, together with countries of origin:—

Imports of Wheat into Norway

Countries of Origin	1930	1931	1932	1933	1934	1935	1936	1937
	Figures in Metric Tons of 2,205 Pounds							
Sweden	431	32	569	6	2,429	2,294	3,627	72
Denmark	2,484	588	.....	.....	.....	.....	.....	.....
Soviet Russia	35,949	36,959	33,995	26,348	41,127	14,522	16,414	15,972
Poland and Danzig . . . . .	.....	.....	.....	.....	1,492	3	.....	.....
Estonia	452	.....	.....	.....	.....	.....	.....	.....
Germany	1,251	.....	4,972	12,434	2,350	.....	.....	.....
France	1,098	5,278	.....	.....	2,140	7,405	.....	.....
Roumania	627	1,198	.....	.....	.....	.....	.....	14,234
Netherlands . . . . .	.....	6,682	.....	.....	.....	.....	.....	.....
Great Britain and Northern Ireland . . . . .	.....	6,028	4,582	5,560	.....	7	.....	.....
United States	43,195	50,463	71,931	59,851	68,888	.....	8,123	8,844
Canada	37,203	8,053	.....	6,593	2,379	90,557	101,786	73,021
Argentina	7,906	15,234	27,882	57,864	45,731	68,507	9,891	52,570
Australia . . . . .	.....	.....	3,836	.....	.....	.....	.....	4,562
Czechoslovakia . . . . .	.....	.....	.....	.....	.....	.....	.....	6,483
Other countries	25	.....	4	.....	.....	.....	63	.....
Total	130,621	130,515	147,771	168,656	166,536	183,295	139,904	175,758

IMPORTS FROM CANADA

Imports from Canada for the four years 1931 to 1934 were comparatively small (in 1932, Canada was not mentioned as a country of supply). During this period, however, considerable quantities were imported from the United States, and as 1937 was the first year in which that country had an exportable surplus since the 1931-32 crop year, imports credited to that country, particularly for the years 1933 and 1934, probably actually originated in Canada. During 1935 and 1936, imports from the United States were negligible, and the quantity reported as having been imported from that country in 1936 is likewise believed to be wheat of Canadian origin. A probable reason for the change in the country of origin is the fact that, in recent years, Norwegian vessels have proceeded to the head of the lakes, taking cargoes direct from Port Arthur and Fort William to Norwegian ports. If imports credited to the United States during 1936 are considered as Canadian wheat, Canada supplied approximately 78 per cent of the total Norwegian requirements. Russia and Argentina are the two other principal sources of supply, both countries showing in 1936 considerable declines from their previous high levels.

Total imports of wheat into Norway in 1937 increased by more than 35,000 metric tons from the preceding year. A considerable decline was recorded in the importation of Canadian wheat amounting to almost 29,000 tons as compared to 1936, which was mainly attributed to the smaller crop harvested in Canada in 1937 and is not considered as a permanent development.

IMPORTS FROM OTHER COUNTRIES

The principal increase in 1937 occurred in Argentine wheats, imports from that country advancing from slightly less than 10,000 tons in 1936 to over

52,500 tons in 1937. Imports from Argentina were approximately on a level with the imports that took place during the years 1933, 1934 and 1935. A considerable quantity was also imported from Roumania, which country had not supplied Norway with any wheat since 1930 and 1931, when only small quantities were purchased. Another country which had not previously been a supplier was Czechoslovakia, from which country 6,483 tons were imported. Although the United States had a large exportable surplus from the 1937 crop, imports from that country remained at practically the same level as the previous year.

NORWEGIAN PRODUCTION OF WHEAT

The following table shows the acreage sown to wheat, as well as the yield during the years 1930 to 1937 inclusive:—

Year	Acres	Production	
		Tons	Bushels
1930	30,467	19,596	719,757
1931	28,687	16,106	591,566
1932	27,830	20,340	748,938
1933	28,108	20,542	754,511
1934	46,396	32,765	1,203,466
1935	58,764	50,871	1,858,503
1936	74,556	58,833	2,160,906
1937	79,156	67,957	2,496,967

The above figures show the pronounced increase both in acreage and the production of wheat which has taken place during the past eight years. As compared to 1930, the yield in 1937 is more than three times as large. Probably the principal reason for the increased wheat production is the fact that Norwegian farmers receive a larger subsidy from the Grain Monopoly for wheat than for other types of grain. The increased acreage sown to wheat has been at the expense of other grains, principally barley and rye. It is not believed that any marked increase in the total amount of land given to grain production has taken place during the last eight years.

CONSUMPTION OF WHEAT

In the following table is shown the quantity of wheat imported, the amount produced in Norway and the total of these two, which is roughly equal to the consumption:—

Year	Imports	Production	Consumption
	M. Tons	M. Tons	M. Tons
1930	130,621	19,596	150,217
1931	130,515	16,106	146,621
1932	147,771	20,390	168,161
1933	168,656	20,542	189,198
1934	166,536	32,765	199,301
1935	183,295	50,871	234,166
1936	134,904	58,833	198,737
1937	175,758	67,957	243,715

As it is the aim of the Grain Monopoly always to keep in stock from 100,000 to 150,000 tons, the figures in the right-hand column may be considered as a rough approximation of the quantity consumed each year, and it will be noted that consumption during the eight-year period has increased by almost 100,000 tons. The considerable increase in both imports and production during 1937 almost doubles the consumption figure for 1936. While no statistics are available, it is thought that in all probability the grain in store at the end of 1937 must have been considerably in excess of the normal quantity.

PROSPECTIVE TRADE

While it is impossible to estimate what increase in the acreage sown to wheat will take place in the future, it is believed that this will not be as rapid

as has been the case in the past four years, as there is little new land available for agriculture and considerable quantities of other grains are required. There is no doubt that part of the increased consumption of wheat is due to better economic conditions throughout the country, but it should also be remembered that the serious effects of the depression had not become evident in 1930. Consequently, the consumption of wheat in 1930 can be taken as fairly normal. It would appear, therefore, that even though the production of wheat continues to expand, it will not be sufficient to cover the increase in the demand, and that imports of roughly 150,000 tons will still be required.

IMPORTS OF WHEAT FLOUR

The following table shows the quantity of flour imported into Norway for the years 1930 to 1937 inclusive, together with countries of origin:—

Imports of Wheat Flour into Norway

Countries of Origin	1930	1931	1932	1933	1934	1935	1936	1937
		Figures in Metric Tons of 2,205 Pounds						
Sweden.. . . .	67	24	.....	42	.....	.....	827	1,080
Denmark.. . . .	126	11	.....	.....	.....	.....	.....	.....
Soviet Russia.. . . .	.....	.....	399	.....	.....	.....	.....	.....
Poland and Danzig.. . . .	.....	55	.....	.....	.....	.....	118	.....
Germany.. . . .	302	450	16	193	.....	.....	.....	.....
France.. . . .	8,152	13,827	5,843	5,648	6,454	6,054	4,621	4,748
Netherlands.. . . .	295	148	65	.....	.....	.....	.....	173
Belgium.. . . .	127	.....	.....	1,813	.....	.....	.....	.....
Hungary.. . . .	204	649	733	1,201	.....	1,237	1,387	2,298
Great Britain and Northern Ireland.. . . .	1,374	3,945	11,269	14,464	12,623	9,610	6,954	4,541
United States.. . . .	32,084	24,115	13,686	7,957	7,760	4,205	5,065	4,969
Canada.. . . .	21,602	25,851	16,376	18,963	17,653	21,194	20,000	13,989
Argentina.. . . .	851	.....	.....	.....	.....	.....	.....	.....
Bulgaria.. . . .	.....	.....	.....	.....	.....	.....	.....	123
Other countries.. . . .	.....	.....	19	80	395	828	51	156
Total.. . . .	65,183	69,075	48,406	50,361	44,885	43,128	39,023	32,077

Since 1931 the imports of wheat flour have steadily declined and during 1937 the quantity imported was less than one-half the amount shown in 1931. Until the past year, imports from Canada had remained at a fairly constant level, approximating 20,000 tons annually. During 1937, however, the quantity imported from the Dominion showed a decline of approximately 7,000 tons. The reduction in total imports since 1931 is more than offset by an increase in the quantity of flour milled in Norway, as shown in the following table:—

Year	Domestic Production M. Tons	Imports M. Tons	Consumption M. Tons
1930.. . . .	72,830	65,183	138,013
1931.. . . .	84,622	69,075	153,697
1932.. . . .	93,644	48,406	142,050
1933.. . . .	105,684	50,361	146,045
1934.. . . .	113,421	44,885	156,306
1935.. . . .	123,668	43,128	166,816
1936.. . . .	122,799	39,023	161,822
1937.. . . .	112,700	32,077	144,777

During the past year, however, a reduction of over 10,000 tons occurred in the domestic production of wheat flour as compared to the previous year, bringing it to the lowest figure since 1933. With the decreased import figures, the approximate consumption shows a decline of 17,000 tons.

PROSPECTIVE TRADE

Canadian wheat and flour have been made the basis for the standard types of flour produced by Norwegian mills, and despite the reduction of imports of Canadian flour in 1937, it is believed that Norway will continue to purchase the largest proportion of foreign flour from the Dominion.

MARKET FOR HONEY IN BELGIUM

M. BÉLANGER, ASSISTANT TRADE COMMISSIONER

Brussels, July 28, 1938.—In normal years Belgium produces from 700 to 900 tons of honey annually. Last year's crop, however, was a failure and, judging from the disastrous effects of the spring weather on this season's fruit crop, it is believed that this year's production will be similarly affected. In any case, local production is never sufficient to meet requirements and imported honey is always in demand.

According to Belgian statistics, 725 metric tons (of 2,204 pounds) were imported in 1936, as against 1,047 metric tons in 1937. Details of these imports are as follows:—

	1936	1937
	Metric Tons	
United States	237	317
Cuba	177	279
Mexico	165	138
France	71	97
Great Britain	30	86
Other countries	73	129

The figures for Great Britain should not be taken as a true indication of the origin of the honey as London is a noted honey-dealing centre and imports from that point may include honey originating in many different countries. Under "other countries" are included direct imports from Brazil, Canada, Holland, and New Zealand.

The demand is largely for brown honey of the buckwheat type, which is used in the confectionery trade particularly for the manufacture of a sort of gingerbread which is very popular in this country. However, on account of the extremely low prices quoted on honey from such countries as Cuba, Mexico, and even France, Canadian buckwheat honey has never been in a position to compete for this trade. Last season, owing to a momentary lull in supplies from France, due chiefly to political unrest, a small quantity of Canadian buckwheat honey was imported, but was disposed of with difficulty. Objections were raised to the strong odour of this honey.

Cuban and Mexican brown honey is quoted at approximately 31s. per cwt. c.i.f. Antwerp, packed in 3-cwt. barrels, but at times lots are offered as low as 25s. per cwt. Price cutting and the mixing of grades are very prevalent among dealers in this class of honey.

PROSPECTS FOR CANADIAN HONEY

The demand for Canadian honey lies in the direction of good-quality pure white or light amber (preferably the former) clover honey of fine texture and flavour for the cake and biscuit trade and for table use. The question of texture cannot be too greatly stressed, as Belgian buyers judge this class of honey almost solely on this point. If the honey is roughly granulated, the impression is gathered that sugar has been added. The demand is not exceptionally large, as honey is not consumed in Belgium to anything like the extent it is in Canada. The market is nevertheless worthy of consideration and merits the attention of Canadian exporters. Sources of competition in this class of honey are California, France, Holland, and New Zealand. Honey from the latter country is of a particularly fine quality, both as regards texture and flavour, and is greatly appreciated. Supplies, however, are irregular, and at present are lacking altogether. The main buying season commences in September and continues to May.

ESTIMATED PRICES AND DUTIES

Prices on new crop white clover honey are not yet available and all that can be given is an indication of last season's prices, which were in the neighbourhood of \$0·075 per pound net c.i.f. Antwerp. This type of honey is usually packed in 60-pound tins, two to a carton or case, but there is no objection to barrel packing (3-cwt. barrels) if the quantity ordered warrants this. Business is usually transacted on the basis of cash against documents, and in the case of the intervention of an agent or broker, the commission allowed is generally 3 per cent.

The customs duty levied in Belgium on honey, whether of the buckwheat or clover type, is 60 francs per 100 kilograms net (\$0·923 per 100 pounds) and, in addition, there is a transmission or sales tax of 2·5 per cent payable on the duty-paid value of the goods.

Canadian honey producers and exporters are invited to send without delay samples of new crop honey and lowest c.i.f. Antwerp quotations to the Trade Commissioner at Brussels. One Belgian dealer, who imported over 100 tons of clover honey last year, is particularly anxious to do business with Canada if competitive prices can be obtained.

ECONOMIC CONDITIONS IN BRAZIL, JANUARY TO JUNE, 1938

L. S. GLASS, CANADIAN TRADE COMMISSIONER

(One milreis equals \$0.05 Canadian at the current rate of exchange; one kilo equals 2·2 pounds)

EXCHANGE REMITTANCES

Rio de Janeiro, July 20, 1938.—The Bank of Brazil on January 12 indicated its intention to resume the distribution of foreign exchange for the payment of imported goods, thus bringing an end to the "exchange holiday" which had been declared on December 27. It was not, however, a return to the free exchange basis, which had been in force since February of 1935, but rather a return to the control exercised before that date. The Bank of Brazil announced that contracts would be issued to remit foreign cover within sixty days for drafts which matured up to December 31. Importers were required to deposit milreis equivalent to the value of their drafts at the rate of exchange ruling on the due date with the obligation to make up any discrepancies which might occur between the deposit date and date of actual remittance of the exchange contract. At the time of writing this report, the Bank is issuing thirty days contracts approximately thirty days after due date of drafts. Thus actual remittance of cover does not take place until sixty days after maturity.

ECONOMIC CONDITIONS

The fact that the foreign trade of Brazil during the first quarter of the year resulted in an unfavourable balance is causing a certain amount of uneasiness. The calendar year 1937 ended with one of the lowest favourable balances in the history of Brazil and it would seem hardly possible that there would be any surplus carried into 1938. It was hoped, however, that the reduction of taxes on coffee exported and the attendant lowering of the price of this major export commodity on the world's markets would soon correct the situation and that the increase in volume would more than offset the lower unit returns.

BRAZIL'S SHARE OF COFFEE MARKETS

According to an unofficial estimate of the quantity of coffee entering the world markets for consumption during the period January to May, 7,062,000

sacks were credited to Brazil. This represents an increase of 22·9 per cent over the same period in 1937. At the same time there was an increase in the general total of 6·9 per cent, while coffees from sources other than Brazil decreased by 10·5 per cent. It would appear therefore that Brazil is actually regaining her position as regards volume percentage of the world markets.

The increase in volume has not yet made up for the decrease in price which for the first three months of 1938 was 26 per cent below the average f.o.b. price in milreis for the same period in 1937 (equivalent gold prices were 39 per cent lower). Spot prices in Rio de Janeiro fell until the middle of May, when they reached the low of 10·8 milreis per 10 kilos. A rally occurred and by the end of the month they returned to 11 milreis, about 42 per cent below 1937 prices. This price continued firm through June.

The reduction in the price of coffee naturally influences the amount of available foreign exchange. Previously the internal taxes placed on coffee exports were actually passed on to the foreign importer and returned to Brazil in the form of foreign exchange. From information so far available there is little to suggest that coffee returns will increase very much in the near future.

EXTERNAL TRADE

The total value of Brazil's external trade during the first three months of the year was \$149,422,000 as compared with \$150,217,000 for the same period of 1937. Of this, exports in 1938 were valued at \$65,205,000 as against \$81,740,000 in 1937, while imports increased from \$68,476,000 to \$84,217,000 in 1938. Thus exports decreased 20 per cent, while imports increased 23 per cent. The unfavourable balance of trade was \$19,012,000.

BALANCE OF TRADE

During the four-year period immediately preceding, that is 1934-37, there was, during each of the first quarters, an average favourable balance of \$17,297,000, while for whole years the average was \$53,446,000, the first quarters yielding approximately 32 per cent of the total balance. Thus it becomes necessary for the remaining three quarters of 1938 to produce each a favourable balance of \$24,153,000 or a total of \$72,459,000, an increase in the average of some 39 per cent, to bring the year in line with the average for the past four. Brazil must thus show a favourable balance in the remaining nine months of 1938 nearly 25 per cent greater than the average yearly balance for 1934-37. This can only be accomplished by an increased export effort or by a reduction in imports or a combination of the two.

At this date, both coffee and cotton prices are considerably reduced and these two commodities account for over 60 per cent of the total exports. During the first quarter the average value per ton of all commodities exported was \$79 as against \$119 in 1937. Further, of the 44 of the major export commodities and commodity groups (probably 98 per cent of the total) 33 suffered decreases.

IMPORTS

The probability of a decrease in imports may be anticipated. The first quarter of the year showed increases in volume, value and average unit value as compared with last year. In the case of 32 of the 39 commodities or commodity groups imported there occurred increases in value, while 26 increased in volume. The greatest increase was in the import of raw materials, 39·8 per cent, of which gasoline, iron and steel, fuel oil, and natural silk accounted for 71 per cent. Imports of manufactured goods increased 31·4 per cent with motor cars of all kinds, vehicles n.o.p. and machinery accounting for 81 per cent. Imports of automobiles amounting to approximately \$5,500,000 (an increase of

nearly \$500,000) have a direct bearing on the imports of gasoline which were valued at about \$3,000,000 for the quarter. There also occurred an increase of 21 per cent in the imports of foodstuffs, almost the entire increase being accounted for by increased prices of wheat, olive oil and beverages.

GOVERNMENT PURCHASES

There have been heavy Government purchases for war materials, airplanes, ships and railway rolling stock which, to some extent, may appear in the import figures for the first quarter. Such purchases are of an extraordinary nature and are inclined to distort the interpretation of import figures.

TRAFFIC THROUGH IN-PORTS

Import statistics are not yet available for more than the first three months, but lacking them, customs house returns from the three important in-ports, Rio de Janeiro, Santos (São Paulo) and Porto Alegre (Rio Grande do Sul) serve as an excellent measure for the trend of imports. In considering these returns it should be remembered that they relate only to goods entering Brazil for the account of ordinary commerce. The record therefore is free from any effect of Government purchases or purchases by Government controlled industries, such as some of the most important railways or the imports of many enterprises operating under contract for Public Works, as the imports for such accounts are duty free. Similarly, imports of certain raw materials and agricultural and industrial machinery are also duty free, although all represent a demand for foreign exchange.

During the first five months of the year total receipts were 9.5 per cent above those for the same period last year. The greatest returns came in during the first quarter and April registered a decrease of 27 per cent. May was well up but it is probable that June will show some falling off, particularly as the returns for Rio de Janeiro, the only ones yet received, fell off 11 per cent. The fact remains, however, that imports are still above what they were a year ago.

BLOCKED MARKS

A further factor which should be considered is Brazil's trade with countries operating on blocked currencies of which, in the case of Brazil, Germany is the most important. Towards the end of June, the Bank of Brazil suspended all operations in compensated German marks in view of the fact that the Bank was holding too large a surplus of these marks. This surplus has developed from heavy purchases of Brazilian products, particularly cotton and cocoa. This means that a considerable proportion of the value of Brazilian exports up to the present is actually represented by blocked marks and not international currency. Therefore the export figures which are converted into international currency equivalents should be reduced by the amount of the balance of blocked marks held in order to obtain a more comprehensive idea of the true balance of trade. What this balance actually amounts to is not definitely known, but it has been estimated that when cotton transactions in compensated marks were suspended on the second of June, the balance was in the neighbourhood of 9,000,000 marks.¹ Between this date and the end of the month German purchases switched from cotton to cocoa, thus continuing to swell the balance.

From this excessive balance it follows that there will probably be heavier purchases from Germany in the future, at least until such time as the compensa-

¹ A recent estimate of the balance of marks held by the Bank of Brazil is 30,000,000 and general opinion is that this is fairly near the real amount.

tion mark balance is more normal. Therefore it is quite possible that any future import increases will be, to some extent, due to the liquidation of this balance and conversely that export values will represent real values in international currencies.

INTERNAL CONDITIONS

According to all reports, local business, which suffered a setback during the latter part of 1937, has failed to recover. Agriculturalists seem to be experiencing some difficulty in financing crop movements from the interior and, as a result, the Federal Government has been called upon to render assistance. Car loadings continue high and the building trades are fairly busy. Real estate is taking a definite upswing and in certain sections of Rio de Janeiro values have increased as much as 75 per cent, in little more than a year. The Federal Government has indicated its intention to continue with extensive public works including reclamation of swamp lands, extending, electrifying and improving rail communications, construction of modern highways, acquisition of modern up-to-date air, land and water transportation equipment and many other projects which will be of inestimable value to the country, not only now, but also in the future.

NOTE CIRCULATION

The heavy, diversified expenditure of money by the Government, through public works undertakings, has tended to place an unusual amount of money into circulation. To meet many of its requirements the Government has found it necessary to increase the note circulation. As on May 31, 1938, the note issue was 4,792,397 contos of reis as against 4,532,450 contos of reis on December 31, 1937, an increase of approximately \$14,000,000, and represents an issue 50 per cent greater than that on December 31, 1934. This has all tended to increase the cost of living and in Rio de Janeiro it has reached such a point that the local authorities have felt constrained to adopt measures to control prices of some of the primary foodstuffs. At the same time it is probable that much of the increased buying power is going towards the acquisition of luxuries, many of which are imported or, if made locally, tend to increase the imports of "luxury raw materials" and machinery for their processing.

FUTURE POSSIBILITIES

As the situation stands, it is difficult to advise what attitude should be taken towards export business with this country. While the Government is determined to do everything in its power to encourage and develop foreign trade relations, they have to hold themselves ready to adopt whatever measures may be necessary to prevent a recurrence of the conditions which were experienced from 1930 to 1935. Canadian exporters should make due allowance for this and should be in a position to finance their exports over a period of time, should Brazil be forced to make further delays in the remittance of foreign cover. Other exporters, undoubtedly aware of present and possible future conditions, continue to do extensive business in Brazil, as indicated by the fact that imports continue to increase. Exporters would do well to differentiate between credit risk and exchange risk and bear in mind that Brazil is honestly trying to regain her external equilibrium, by methods which seem most appropriate to her, taking everything into consideration.

ECONOMIC SITUATION IN ARGENTINA

J. A. STRONG, CANADIAN TRADE COMMISSIONER

Buenos Aires, August 2, 1938.—During the first half of the present year the domestic business situation has continued on a reasonably satisfactory basis despite the sharp decline in grain exports due to the poor crops harvested last season in Argentina. The upward trend in imports evident last year and during the early months of this year has been checked through official action by the application of the exchange surcharge, which is now around 23 per cent and is equivalent to an *ad valorem* duty, to a wider range of the imports coming from non-treaty countries, and particularly from the United States. There has been some increase in unemployment in local manufacturing industries and notably so in the textile industry due to declining purchasing power here and also, it is alleged, to dumping by certain supplying countries.

TRADE BALANCES

Total exports from Argentina during the first half of 1938 declined 49·5 per cent, whereas imports increased 11·7 per cent as against the corresponding period of 1937. Argentine had an unfavourable merchandise balance of \$12,000,000 (Canadian) as compared with a favourable balance of \$245,000,000 for the first half of 1937, grain exports alone being down the equivalent of \$202,000,000 this year. Despite a 3·7 per cent increase in the volume of meat shipments, the value of exports of all live stock products declined 18·6 per cent, due largely to lower hide and wool prices. Exports of frozen beef, however, mainly for Germany and Italy, increased from 35,649 tons to 51,480 tons and chilled beef from 168,157 tons to 170,390 tons during the first six months of 1938 as compared with the corresponding period of 1937, whereas exports of canned meats declined from 37,918 tons to 34,115 tons.

The situation is not likely to improve during the last half of this year and future prospects will depend largely on the size of the forthcoming grain crops and on the trend in grain prices. The position in the grain export trade is indicated in the following table:—

	Grain Exported		Available for Export		Estimated Decrease 1938
	Jan. 1 to June 25 1938	1937	June 25 to Dec. 31 1938	1937	
	Figures in Thousands of Bushels				
Wheat.	44,885	125,677	39,403	16,979	58,368
Linseed	23,913	42,726	23,977	28,064	22,899
Corn	20,514	191,295	111,894*	170,502*	58,608*

* To end of crop year, March 31, 1938 and 1939.

The United States replaced the United Kingdom as the principal source of Argentine purchases during the first half of 1938 for the first time since 1930, accounting for 19·2 per cent of the total imports as compared with 16·3 per cent for the corresponding period of 1937. The corresponding percentages were 18·8 and 19·8 respectively for the United Kingdom. Argentina is finding difficulty in checking imports from the United States, and particularly imports of motor cars, in the face of the current shortage of foreign exchange available here to pay for them despite the application of the 23 per cent surcharge on probably 80 per cent of the total purchases from the United States.

There is no change in the competitive position of Canadian firms here.

MARKETS FOR JUTE IN PERU AND CHILE

S. G. MACDONALD, ACTING TRADE COMMISSIONER

(One Peruvian sol equals \$0.25 Canadian approximately and the Chilean peso equals \$0.05 Canadian approximately)

Lima, Peru, July 8, 1938.—Markets of some importance exist in both Peru and Chile for jute products. In the former country the demand is confined mainly to the important sugar, cotton, guano, and mining industries, while in the latter republic, in addition to the guano, nitrate, mining, and cement industries, some considerable volume is used in connection with the packing of grains and other agricultural products. Owing to differences in the two republics it is deemed advisable to deal with each separately.

Peru

Jute is imported into Peru mainly in the forms of bags, sacking or hessian cloth, twine, and to a very limited extent in its raw state. The entire requirement is imported, as there is no local production of competing fibres such as hemp. The market is fairly stable and not likely to improve in the near future owing to conditions in world markets for such products as sugar and cotton, which preclude important Peruvian production increases in such commodities, which in turn would affect the volume required of jute bags or hessian cloth.

IMPORTS

The total imports of bags amounted to 7,369 metric tons valued at 3,163,515 sol in 1936 as compared with 9,431 tons valued at 4,930,836 sol in 1935. Of these imports, 6,425 tons were from India in 1936 and 8,096 tons in the previous year. Great Britain, the United States, and Japan supplied in that order in 1936 almost the entire balance.

Sacking or hessian cloth is also almost entirely imported from India. Of a total import of 771 tons valued at 612,853 sol in 1936 and 1,051 tons valued at 948,009 sol in 1935 some 651 tons and 891 tons for the respective years were from India. Of the balance Great Britain supplied 103 tons out of a total of 120 tons in 1936 and 139 tons from a total of 159 tons in the previous year. Twine is also an item of some importance among Peruvian imports, there being 251 tons valued at 262,941 sol imported in 1936 as compared with 191 tons valued at 151,452 sol imported the previous year. India led as a source of supply of this commodity with 141 tons in 1936 (151 tons in 1935), followed by Germany with 41 tons (5 tons), Great Britain with 25 tons (34 tons), Italy with 22 tons ($\frac{3}{4}$ ton), and Austria with 13 tons ($\frac{1}{4}$ ton). Practically a dozen other countries, including Canada with 122 kilos in 1936, supplied the small balances remaining for the two years under review.

The importations of raw jute are of no consideration.

DUTIES AND PRICES

Peruvian customs duty rates on the various jute products imported into this republic are 0.03 sol per gross kilo for bags, 0.12 sol per gross kilo for sacking or hessian cloth, and 0.22 sol per gross kilo on twine.

The types of jute materials imported and recent prices c.i.f. Callao are as follows:—

- (a) $2\frac{1}{2}$ -pound A twills, 44 by $26\frac{1}{2}$ inches, per 100 bags, 49s. 6d.
- (b) $2\frac{1}{4}$ -pound B twills, about 5s. 9d. less than A twills.

(c) $1\frac{3}{4}$ -pound ore bags, 20 by 30 inches, per 100 bags, 37s.

(d) Hessian cloth, 8 oz., per 100 bags, 14s.

Hessian cloth, $2\frac{1}{2}$ oz., per 100 bags, 14s. 10d.

The first two types constitute the largest share of the imports.

Chile

Jute goods in demand in Chile are in the forms of: (1) bags, for nitrate, wheat, oats, barley, potatoes, beans, salt, guano, cement, etc.; (2) hessian cloth, for baling wool and for building purposes, etc., and jute cloth, coloured, in small quantities for cheap curtains; (3) raw jute, used for the manufacture of bags and hessian cloth, is purchased fairly extensively, the Santiago factory of the Sociedad Fábrica Nacional de Sacos requiring approximately 4,000 tons annually.

During the crop year 1937-38 those crops which affect the volume of jute products used in the republic have been somewhat lower than in the previous crop year, while prices have been unfavourable, with signs that sales have been held up in the hopes of better prices. This naturally has reacted somewhat against the amount of jute goods required, but on the other hand the level of the building trade has been satisfactory although below the boom levels reached in 1935 and 1936.

The annual requirement of bags, other than those used for nitrate, is approximately 7,500,000, of which grain accounts for 5,000,000 bags, ores 2,000,000 bags, and the balance, or 500,000 bags, being used for cement. These figures appear to be the top levels for the next several years.

IMPORTS

Raw jute is not shown separately in the Chilean import statistics. For the years 1935, 1936, and 1937 the respective imports of hemp or jute bags amounted to 4,081 gross metric tons, 6,346 tons, and 3,095 tons respectively. Of the 1937 figures, 2,803 tons were from India. Practically the entire imports were jute bags as it is understood in the trade that 3,362 tons in 1935 and 5,937 tons in 1936 represented the imports of that commodity alone. Imports of sack cloth of hemp or jute are shown as 529 tons in 1935, 584 tons in 1936, and 673 tons in 1937. Again in this case the imports consist almost entirely of jute cloth as that commodity was imported from India alone to the extent of 500 tons in 1935. No statistics or estimates are available for subsequent years.

STOCKS AND PRICES

The principal factory engaged in bag making is the Sociedad Anónima Fábrica Nacional de Sacos at Santiago, which has an annual capacity of 5,000,000 bags. Two other small factories engaged principally in the making of hemp twine and ropes are located at La Calera and Los Andes, respectively. Stocks of jute reported held at the various factories at the end of the past four years are as follows:—

	At S.A. Fabrica		Total Tons
	Nacional de Sacos Tons	At Other Factories Tons	
End of 1934	2,000	50	2,050
1935	900	100	1,000
1936	1,100	100	1,200
1937	1,300	120	1,420

At the close of the same years stocks of jute bags held totalled 51,000, 31,100, 125,000, and 500,000 bags respectively.

The raw jute is purchased some three or four times each year at fluctuating prices. Recent prices are as follows: wheat bags, 4.50 Chilean pesos; barley bags, 4.35 Chilean pesos; hessian cloth, per yard of 8 oz., 1.40 Chilean peso; hessian cloth, per yard of 11 oz., 2.20 Chilean pesos.

It is not considered that a lowering of prices would materially increase the demand, but higher prices would check it if they came into line with Chilean hemp, of which some 2,500 to 3,500 tons of fibre is produced annually. Owing to favourable overseas prices of £30 to £35 per ton in Liverpool as compared with about £14 to £18 f.o.b. Valparaíso for domestic use, all of the Chilean fibre is exported. Hence at the present time only Indian jute is used by the Chilean bag industry.

DUTIES

Jute bags for nitrate are admitted free of duty but for other purposes the national industry has since December, 1934, been protected by a duty of 0.27 gold peso per gross kilo. Hessian cloth is assessed at 0.162 gold peso per legal kilo when containing eight threads or less in a square of 5 millimetres side and 0.75 gold peso when containing nine threads or more in a square of 5 millimetres side.

There is little likelihood of increased consumption for jute bags, other than possibly for nitrate, but as there appears to be an increasing quantity of that commodity being shipped in bulk, it would appear that prospects are not overly bright in that direction.

Canadian firms interested in the export of jute bags or other jute products in a position to compete with prevailing prices should correspond with the office of the Canadian Trade Commissioner in Lima for further details concerning trade possibilities.

TRADE OF THE PHILIPPINES IN 1937

V. E. DUCLOS, CANADIAN TRADE COMMISSIONER

(The Philippine peso at par is equal to 50 cents United States currency)

Hongkong, July 12, 1938.—The total foreign trade of the Philippines during 1937 amounted to P551,972,884 as compared with P497,602,664 in 1936, an increase of P54,370,220, or 11 per cent. Imports were valued at P218,051,490 as against P202,252,349 for the previous year, an increase of 7.8 per cent. Exports amounted to P333,921,394, an increase of 13 per cent.

The increase in the value of imports is attributable in the main to the improved demand for iron and steel and their manufactures, cotton goods, paper, automobiles, wheat flour, tobacco products, and electrical machinery and apparatus. Abaca, coconut oil, gold bullion, desiccated coconut, tobacco products, and lumber accounted for the increase in exports.

BALANCE OF TRADE

The balance of trade was favourable to the extent of P115,869,904, which is a considerable improvement on that for 1936 (P93,097,966), and is to a great degree the result of the very favourable balance of trade with the United States. Of the other principal countries a favourable balance of trade was registered with Great Britain, Italy, Denmark, Norway, Egypt, and Argentina.

Imports from the United States were valued at P126,604,072 as against P122,994,525 for the previous year, while exports to that country were recorded at P272,874,877 as against P237,504,683.

DISTRIBUTION OF TRADE

The important position of the United States in the trade of the Philippine Islands is indicated by the fact that this country is credited with 58 per cent of total imports during 1937 as against 60·81 per cent during 1936, and absorbed 82 per cent of exports from the Philippines as against 80·41 per cent in the previous year.

Japan was the second most important participant in the trade, being credited with 9·46 per cent of the total as against 8·7 per cent in 1936, comprising 14·8 per cent of imports as against 13·12 per cent in 1936 and 6 per cent of exports as against 5·68 per cent. Next in importance during the period under review are Great Britain with 3·2 per cent of the total (2·40 per cent of imports and 3·73 per cent of exports); Germany, 2·16 per cent (3·80 per cent of imports and 1·08 per cent of exports); China, 1·55 per cent (3·04 per cent of imports and 0·58 per cent of exports); Netherlands, 1·19 per cent (2·02 per cent of imports and 0·64 per cent of exports); British East Indies, 1·13 per cent (2·21 per cent of imports and 0·42 per cent of exports); and Australia with 1·10 per cent (2·31 per cent of imports and 0·31 per cent of exports).

IMPORTS AND EXPORTS

The ten principal commodities imported into the Philippine Islands during 1937 were as follows, with percentages of total import values and increases or decreases as compared with 1936 figures:—

Ten Principal Imports into the Philippine Islands in 1937

	Pesos	Per Cent of Total Imports	Per Cent Inc. or Dec.
Iron and steel manufactures	38,680,875	18	+21
Cotton goods	34,908,379	16	+14
Mineral oils	13,004,883	6	—11
Automobiles, parts, and tires	11,978,029	5	+ 5
Meat and dairy products	10,081,668	5	— 9
Wheat flour	8,204,725	4	+ 4
Papers and manufactures thereof	7,621,198	3	+18
Tobacco products	7,340,346	3	+ 3
Electric machinery, apparatus and appliances	6,854,637	3	+18
Silk and rayon and manufactures thereof ..	6,195,701	3	+ 7

The ten principal exports of the Philippine Islands during 1937 are given in the following table, with percentages of total export values and increases or decreases as compared with 1936 figures:—

Ten Principal Exports from the Philippine Islands in 1937

	Pesos	Per Cent of Total Exports	Per Cent Inc. or Dec.
Sugar	115,412,387	35	— 7
Abaca	43,279,373	12	+27
Coconut oil	41,051,073	12	+48
Copra	31,969,399	10	+ 7
Gold bullion	27,365,429	8	+34
Desiccated coconut	12,693,263	4	+44
Tobacco products	9,966,216	3	— 5
Timber and lumber	7,886,224	2	+27
Embroideries, cotton and silk	7,377,606	2	—14
Copra meal or cake	5,800,358	2	+59

TRADE WITH CANADA

Although one of the smaller participants in the trade of the Philippines, Canada's share for 1937 was P4,446,452, of which P3,324,320 represented imports from the Dominion and P1,122,132 exports thereto. Comparative figures for 1936 were P2,402,771 for imports and P1,286,785 for exports.

Following are the values and percentages of Canada's participation in the trade of the Philippines since the year 1930:—

	Imports		Exports	
	Pesos	Per Cent	Pesos	Per Cent
1930..	360,607	0.15	507,719	0.19
1931..	440,068	0.22	317,548	0.15
1932..	651,922	0.41	228,572	0.12
1933..	657,954	0.49	456,334	0.21
1934..	1,269,921	0.74	553,905	0.25
1935..	1,781,454	1.04	534,107	0.28
1936..	2,402,771	1.19	1,286,785	0.44
1937..	3,324,320	1.52	1,122,132	0.34

The principal imports into the Philippines of Canadian origin during the year 1937, with figures for 1936 within parentheses, were: flour, P1,621,453 (P1,626,864); fertilizers, P686,836 (P33,422); cyanide, P427,255 (P354,829); printing paper, P318,599 (P139,338); canned salmon, P56,430 (P52,051); insulated wire, P30,890 (P71,717); iron and steel manufactures, P27,392 (P10,094); machinery and machines, P25,113 (P7,191); wrapping paper, P17,107 (P7,368); lead types, P12,538 (P6,804); and oats, P10,092 (P12,576).

Principal exports of Philippines products to Canada during 1937 were: abaca, P835,759 (P603,349); cordage, P8,244 (P12,188); copra, P1,205 (P35,300); coconut oil, P124,483 (P552,213); cigars, P31,852 (nil); lumber, P14,275 (P9,189); and wicker furniture, P6,102 (P3,703).

TARIFF CHANGES AND CUSTOMS REGULATIONS

United Kingdom

TARIFF CHANGES

The Additional Import Duties (No. 7) Order of the United Kingdom, in operation as from July 27, has the effect of making all felt wholly or partly of animal hair dutiable at 20 per cent ad valorem. A duty of 20 per cent ad valorem has been chargeable since 1932 on tissue and like materials (including felt) made wholly or partly of cotton, wool (including alpaca, mohair, cashmere, llama, vicuna, and camel's hair), hemp, flax, and jute, but felt made wholly of animal hair other than that mentioned has been liable only to 10 per cent ad valorem. Felts which are shown to be British Empire products within the meaning of the Imperial preference regulations continue to be admissible duty-free.

The Import Duties (Exemptions) (No. 3) Order, 1938, also effective July 27, removes the former 10 per cent ad valorem duty from raw oiticica oil, which is used in the manufacture of certain types of varnish and paints, making it duty-free regardless of origin.

New Zealand

WITHDRAWAL OF RESTRICTION ON IMPORTS OF CERTAIN MOTOR VEHICLES

A New Zealand Order in Council of July 13, 1938, revoked an Order in Council of February 22, 1926, which prohibited (except under licence) importation of: Any 6-wheeled motor-lorry of more than 9 tons capacity or when laden exceeding 15 tons; any other motor-lorry of more than 6 tons capacity or when laden exceeding 10 tons; any 2-wheeled trailer of more than 4 tons capacity, 4-wheeled trailer of more than 6 tons, or any trailer of more than 4 wheels; any tractor weighing more than 10 tons; component parts of any of the foregoing.

Newfoundland

NEW TARIFF RATE ON CONFECTIONERY IN BARS

The Newfoundland tariff on "Confectionery in bars and packages to be sold at a retail price of 5 cents per bar or package" (Tariff Item 119), which has been 30 per cent ad valorem, plus 1 cent per pound, was changed as from June 30, 1938, to $7\frac{1}{2}$ cents per pound, without any ad valorem duty. The rate to the United Kingdom, formerly 10 per cent ad valorem lower than the general tariff, is now 2 cents per pound lower, i.e. $5\frac{1}{2}$ cents per pound.

United States

DUTY EXEMPTION FOR SHIP AND AIRCRAFT SUPPLIES

The United States Customs Administrative Act, approved June 25, 1938, amends Section 309 of the Tariff Act of 1930 so as to broaden the exemption from customs duties and internal-revenue taxes applicable to supplies for ships and add aircraft to the section. Certain exemptions formerly applicable to United States vessels are now extended to all vessels. The relevant portion of the amended section reads:—

(a) *Exemption from Customs Duties and Internal-revenue Tax.*—Articles of foreign or domestic manufacture or production may, under such regulations as the Secretary of the Treasury may prescribe, be withdrawn from bonded warehouses, bonded manufacturing warehouses, or continuous customs custody elsewhere than in a bonded warehouse free of duty or internal-revenue tax for supplies (not including equipment) of vessels of war, in ports of the United States, of any nation which may reciprocate such privilege toward the vessels of war of the United States in its ports, or for supplies (not including equipment) of vessels employed in the fisheries or in the whaling business, or actually engaged in foreign trade or trade between the Atlantic and Pacific ports of the United States or between the United States and any of its possessions, or for supplies (not including equipment) of aircraft registered in the United States and actually engaged in foreign trade or trade between the United States and any of its possessions, or for supplies (including equipment), maintenance, or repair of aircraft registered in any foreign country and actually engaged in foreign trade or trade between the United States and any of its possessions, where such trade by foreign aircraft is permitted.

(b) *Drawback.*—Articles from bonded warehouses, bonded manufacturing warehouses, or continuous customs custody elsewhere than in a bonded warehouse and articles of domestic manufacture or production, laden as supplies upon any such foreign vessel or any such vessel or aircraft of the United States or laden as supplies (including equipment) upon, or used in the maintenance or repair of, any such foreign aircraft, shall be considered to be exported within the meaning of the drawback provisions of this Act.

Netherlands

MONOPOLY TAX INCREASED ON CEREALS AND CEREAL PRODUCTS

Mr. J. A. Langley, Canadian Trade Commissioner at Rotterdam, writes that by virtue of a ministerial order, effective July 31, 1938, the Netherlands monopoly tax leviable on certain cereals and cereal products on entry into the country has been increased.

The commodities affected which are of particular interest to Canadian exporters, together with the old and new rates, are as follows per 100 kilos (220 pounds):—

	Old Rate Florins	New Rate Florins
Wheat	1.50	2.00
Barley	1.50	3.00
Rye	1.50	3.00
Oats	1.50	2.00
Macaroni	5.00	5.75
Wheat flour	4.80	5.27

The monopoly tax on buckwheat has remained unchanged at fl.1.50 per 220 pounds.

IMPORT RESTRICTIONS ON FEEDING CAKES

Mr. J. A. Langley, Canadian Trade Commissioner at Rotterdam, advises that the restrictions on the importation into the Netherlands of feeding cakes, to which reference was made in *Commercial Intelligence Journal* No. 1750

(August 14, 1937), page 314, have again been extended. During the period from August 1, 1938, to July 31, 1939, inclusive, imports of:—

- (a) Coconut cakes shall be limited to 30 per cent of the average gross weight imported from each exporting country per twelve months during the period from July 1, 1931, to June 30, 1933, inclusive. The previous quota was the same.
- (b) All other types of feeding cakes shall be limited to 80 per cent of the average gross weight imported per twelve months during the period from August 1, 1936, to July 31, 1938, inclusive. The previous quota was based on imports during the period from August 1, 1935, to July 31, 1936, inclusive.

It is specified, however, that the Minister of Economic Affairs may grant special quotas to designated countries.

A certificate of origin is required for entry of the above-mentioned commodities.

Siam

PRODUCTION OF INVOICES

Siamese Notice No. 4/2481 of July 9, 1938, informs exporters that the Customs will normally require, with respect to goods subject to ad valorem duties, the relevant invoices and other documents having reference to the importation and sale of such goods, also that invoices or other documents referring to goods subject to specific duty will be demanded on certain occasions. The rate of duty in Siam is ad valorem for a substantial number of items, including the item for "unenumerated goods." The invoices required are the furnisher's original invoices; but where the furnisher is an overseas headquarters or branch of the importing firm the manufacturer's invoices should also be produced. The Trade Commissioner has advised that the ordinary commercial type of invoice, in triplicate, is satisfactory for shipments to Siam.

Japan

DOUGLAS FIR SALES RESTRICTION

Mr. C. M. Croft, Commercial Secretary at Tokyo, writes that the Japanese Department of Commerce and Industry has issued an order prohibiting the sale of Douglas fir in lengths exceeding 78·74 inches unless the permission of the Minister of Commerce and Industry has been secured or unless the sales are to Government departments. The new regulation became effective on the date of promulgation, July 9, 1938. The sale in Japan of Douglas fir which had been contracted for prior to the issuance of the order is affected by the regulations.

Applications for permission to sell Douglas fir must show the name and address of the purchaser and consumer, the purpose for which it is to be used, the quantity and value to be sold, the estimated time of delivery, the name and address of the client in the event of the purchaser being a contractor, and the name and address of the purchaser in the event that the wood is to be resawed after purchase. The application for a permit must bear the signature of the consumer.

Consumers of Douglas fir are required to use the lumber for the purpose stated in the application for a permit unless special permission has previously been obtained.

Dealers in Douglas fir must report by the 15th of each month to the Minister of Commerce and Industry giving details of the sales and purchases during the preceding month of various classes of Douglas fir and the names of the customers.

The regulations institute a licensing system for the sale of Douglas fir in Japan. In the opinion of the trade the permits to sell will be restricted to essential requirements such as the construction of factories for munitions and war supplies, shipbuilding, manufacture of vehicles, and similar purposes.

FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING AUG. 15, 1938

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, August 15, 1938, and for the week ending Monday, August 8, 1938, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending August 8	Nominal Quotations in Montreal Week ending August 15	Official Bank Rate
Austria	Schilling	.1407	. . . . .	. . . . .	—
Belgium	Belga	.1001	\$.1697	\$.1689	3
Bulgaria	Lev	.0072	.0125	.0125	6
Czechoslovakia	Koruna	.0296	.0346	.0347	3
Denmark	Krone	.2680	.2188	.2184	4
Finland	Markka	.0252	.0217	.0216	4
France	Franc	.0392	.0275	.0273	2½
Germany	Reichsmark	.2382	.4025	.4024	4
Great Britain	Pound	4.8666	4.9025	4.8925	2
Greece	Drachma	.0130	.0090	.0090	6
Holland	Guilder	.4020	.5476	.5473	2
Hungary	Pengo	.1749	.2991	.2975	4
		Unofficial	.1973	.1975	—
Italy	Lira	.0526	.0528	.0528	4½
Yugoslavia	Dinar	.0176	.0232	.0232	5
Norway	Krone	.2680	.2463	.2456	1½
Poland	Zloty	.1122	.1891	.1890	4½
Portugal	Eseudo	.0442	.0445	.0444	4-4½
Roumania	Leu	.0060	.0073	.0073	3½
Spain	Peseta	.1930	.0577	.0578	5
Sweden	Krona	.2680	.2527	.2522	2½
Switzerland	Franc	.1930	.2296	.2299	1½
United States	Dollar	1.0000	1.0037	1.0043	1
Mexico	Peso	.4985	.1987	.1978	3
Cuba	Peso	1.0000	1.0030	1.0037	—
Guadeloupe	Franc	.0392	.0275	.0273	—
Jamaica	Pound	4.8666	4.9125	4.9025	—
Martinique	Franc	.0392	.0275	.0273	—
Other British West Indies	Dollar	1.0138	1.0212	1.0193	—
Argentina	Peso (Paper)	.4245	.3296	.3262	3½
		Unofficial	.2610	.2576	—
Brazil	Milreis (Paper)	.1193	.0586	.0586	—
British Guiana	Dollar	1.0138	1.0212	1.0193	—
Chile	Peso	.1217	.0519	.0519	3-4½
		Unofficial	.0402	.0402	—
Colombia	Peso	.9733	.5647	.5691	4
Peru	Sol	.2800	.2208	.2210	6
Venezuela	Bolivar	.1930	.3112	.3114	—
Uruguay	Peso	1.0342	.6451	.6439	—
South Africa	Pound	4.8666	4.8956	4.8863	3½
Egypt	Pound (100 Piastres)	4.9431	5.0287	5.0118	—
China (Shanghai)	Dollar	. . . . .	.1628	.1615	—
Hongkong	Dollar	. . . . .	.3063	.3055	—
India	Rupce	.3650	.3664	.3648	3
Japan	Yen	.4985	.2858	.2850	3.29
Java	Guilder	.4020	.5476	.5474	—
Siam	Baht (Tical)	.4424	.4497	.4480	—
Straits Settlements	Dollar	.5678	.5716	.5700	—
Australia	Pound	4.8666	3.9214	3.9140	3
New Zealand	Pound	4.8666	3.9530	3.9450	2

The Dominion Bureau of Statistics has supplied the following note:—

A recovery in sterling from \$4.8956 on August 9 to \$4.9009 on the 10th was not maintained and the British pound was again under pressure for the remainder of the week. Between the 11th and 12th a severe drop of 0.28 cent was recorded, while still further recessions in the final day's trading brought quotations to \$4.8925. Demand for gold increased and the London price was revised upward to 142s. 9d. on the 13th, the highest level since April 15, 1935. The French franc moved in line with sterling, receding from 2.74 cents on the 9th to 2.73 cents by the 15th. Premiums on United States funds advanced from ¾ per cent in the opening days to steady at 1⅞ of 1 per cent from the 12th onwards.

TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

Secretary, Board of Trade—

Saint John, N.B.
Halifax, N.S.
Quebec, P.Q.
Montreal, P.Q.
Toronto, Ont.
Chatham, Ont.

Brantford, Ont.
Kitchener, Ont.
Stratford, Ont.
Woodstock, Ont.
St. Mary's, Ont.
Portage la Prairie, Man.

St. Boniface, Man.
Winnipeg, Man.
Vancouver, B.C.
New Westminster, B.C.

Secretary, Chamber of Commerce—

Sherbrooke, P.Q.
Kingston, Ont.
Oshawa, Ont.
Belleville, Ont.

Peterborough, Ont.
London, Ont.
St. Catharines, Ont.
Hamilton, Ont.

Victoria, B.C.
Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

Secretary, Canadian Manufacturers Association—

Toronto, Ont.
Montreal, P.Q.

Winnipeg, Man.
Edmonton, Alta.

Vancouver, B.C.
Victoria, B.C.

Director, Trade Extension, Victoria, B.C.

Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.

Commodity	No.	Location of Inquirer	Purchase or Agency
Foodstuffs—			
Frozen strawberries, raspberries, etc.....	454	Auckland, New Zealand...	Purchase or Agency.
Miscellaneous—			
Cardboard (lining for citrus crates).....	455	Kingston, Jamaica.....	Purchase or Agency.
Camping stoves (benzine).....	456	Wellington, New Zealand..	Agency.
Leather, semi-finished.....	457	Carrick-on-Suir, Ireland...	Purchase.
Felt-base floor covering.....	458	Melbourne, Australia....	Agency.
Furniture upholstery fabrics....	459	Melbourne, Australia....	Agency.
Secondhand iron pipes with fittings.....	460	Highgate, Jamaica.....	Purchase.
Bitumen sands.....	461	Bristol, England.....	Purchase.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Montreal

To Liverpool.—Duchess of York, Aug. 21 and Sept. 16; Duchess of Atholl, Aug. 26 and Sept. 23; Duchess of Bedford, Sept. 4; Duchess of Richmond, Sept. 10—all Canadian Pacific; Antonia, Aug. 26; Andania, Sept. 9—both Cunard-White Star Line; Svanefjell, Aug. 27; Vigor, Sept. 17—both Fjell Line.

To London.—Beaverhill, Aug. 26; Beaverburn, Sept. 2; Beavertale, Sept. 9; Beaverford, Sept. 16; Beaverbrae, Sept. 23—all Canadian Pacific; Ascania, Aug. 26; Ausonia, Sept. 2; Alaunia, Sept. 9; Aurania, Sept. 16—all Cunard-White Star Line; Tindefjell, Aug. 24; Ravnefjell, Sept. 7; Rutenfjell, Sept. 21—all Fjell Line.

To Manchester.—Manchester Commerce, Aug. 25; Manchester City, Sept. 1; Manchester Citizen, Sept. 8; Manchester Regiment, Sept. 15; Manchester Division, Sept. 22—all Manchester Line; Svanefjell, Aug. 27; Vigor, Sept. 17—both Fjell Line.

To Southampton.—Duchess of Richmond, Aug. 24; Montrose, Sept. 8 and Oct. 1—both Canadian Pacific.

To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.—New York City, Aug. 22; Boston City, Sept. 9—both Bristol City and Dominion Lines; Norwegian, Aug. 31; Dorelian, Sept. 17—both Cunard-Donaldson and Dominion Lines.

To Glasgow.—Delilian, Aug. 26; Letitia, Sept. 4; Sulairia, Sept. 9; Athenia, Sept. 16—all Donaldson-Atlantic Line.

To Newcastle and Leith.—Cairnross, Aug. 24; Cairnvalona, Aug. 31; Cairnglen, Sept. 7; Cairnesk (also calls at Dundee), Sept. 21—all Cairn-Thomson Line.

To Aberdeen and Hull.—Consuelo, Sept. 2; Bassano, Sept. 23—both Ellerman's Wilson Line.

To Dublin and Belfast.—Dunaff Head, Head Line, Aug. 24 (cargo accepted for Cork and Londonderry).

To Hamburg and Bremen.—Beaverburn, Sept. 2; Beaverhill, Sept. 30—both Canadian Pacific (do not call at Bremen); Koenigsberg, Hamburg-American Line, Aug. 26.

To Copenhagen, Gothenburg, Stockholm and Helsingfors.—Lagaholm, Aug. 26; Braeholm, Sept. 29—both Swedish-America-Mexico Line.

To Norwegian Ports.—Svanefjell, Aug. 27; Vigor, Sept. 17—both Fjell Line.

To Antwerp and Havre.—Beaverhill, Aug. 26; Montrose, Sept. 8; Beavertdale, Sept. 9; Beaverford, Sept. 16; Beaverbrae, Sept. 23—all Canadian Pacific (do not call at Havre); August, Aug. 28; Hada County, Sept. 18; Brant County, Sept. 30—all County Line; Tindelfjell, Aug. 24; Ravnefjell, Sept. 7; Rutenfjell, Sept. 21—all Fjell Line (do not call at Havre).

To Rotterdam.—Grey County, Aug. 21; Flint 2, Sept. 2; Lista, Sept. 23—all County Line; Tindelfjell, Aug. 24; Ravnefjell, Sept. 7; Rutenfjell, Sept. 21—all Fjell Line.

To Marseilles, Genoa, Leghorn, Naples, Messina, Palermo, Gibraltar and Lisbon.—Capo Lena, Aug. 27; Capo Olmo, Sept. 12—both Capo Line (will also call at Cadiz and/or Seville and/or Casablanca if sufficient cargo offers).

To St. John's, Nfld.—Anna, Sept. 1; Bencas, Sept. 19—both Shaw SS. Co. Ltd. (also call at Harbour Grace, Bay Roberts, Carbonear and Port Union; will touch at Newfoundland south coast ports as cargo offerings warrant); Belle Isle, Newfoundland-Canada SS. Ltd., Aug. 26, Sept. 9 (also calls at St. Pierre-Miquelon).

To Cornerbrook, Nfld.—Gaspesia, Aug. 24; New Northland, Aug. 29—Both Clarke SS. Co.

To Puerto Rico, Barbados, Trinidad and Demerara.—Cornwallis, Sept. 1; Chomedy, Sept. 15; Colborne, Sept. 29—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To Hamilton, Nassau, Kingston and Belize.—Cathcart, Aug. 26; Lady Rodney, Aug. 31; Cavalier (calls at Kingston only), Sept. 9; Lady Somers, Sept. 14—all Canadian National.

To Bermuda, St. Kitts, Antigua, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Heroy, Aug. 26; Ary Lensen, Sept. 9; a steamer, Sept. 23—all Ocean Dominion SS. Corp. (call at Guadeloupe and Martinique if sufficient cargo offered).

To Santos and Buenos Aires.—Tercero, International Freighting Corp., Sept. 1 (will also call at Rio de Janeiro if sufficient inducement warrants).

To Brisbane, Sydney, Melbourne and Adelaide.—Kaikoura, Sept. 3; Port Halifax, Sept. 30—both Montreal Australia New Zealand Line (will also call at Geelong).

To Auckland, Wellington, Lyttelton and Dunedin.—City of Glasgow, Aug. 30; Kaimata, Sept. 21—both Montreal Australia New Zealand Line.

To Cape Town, Port Elizabeth, East London and Durban.—Mattawin, Elder Dempster Lines Ltd., Aug. 27 (also calls at Freetown, Lourenco Marques and Beira).

To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Madras, Rangoon, Calcutta and Singapore.—City of Perth, Aug. 26; City of Worcester, Sept. 12; City of Bath, Sept. 30—all Canada-India Service.

To Straits Settlements and Netherlands East Indies Ports.—Palembang, Blue Funnel Line, Sept. 24.

From Quebec

To Southampton.—Empress of Britain, Aug. 27 and Sept. 10; Empress of Australia, Sept. 3 and 17—both Canadian Pacific.

From Halifax

To Liverpool.—Nova Scotia, Sept. 4; Newfoundland, Sept. 20—both Furness Line; Manchester Brigade, Sept. 10; Manchester Exporter, Sept. 26—both Manchester Line.

To London.—Dinteldyk, Sept. 15; Beemsterdyk, Sept. 22—both Holland-America Line.

To Manchester.—Manchester Regiment, Sept. 18; Manchester Port, Oct. 2—both Manchester Line.

To Newcastle.—Cairnglen, Sept. 10; Cairnesk, Sept. 24—both Cairn-Thomson Line.

To Cardiff and Bristol.—Boston City, Sept. 12; Bristol City, Oct. 1—both Bristol City and Dominion Lines.

To St. John's, Nfld.—Fort Amherst, Aug. 22 and Sept. 5; Fort Townshend, Aug. 29 and Sept. 12—both Furness-Red Cross Line (also call at St. Pierre); Magnhild (also calls at St. Pierre and Newfoundland outports), Newfoundland-Canada SS. Ltd., Aug. 22, Sept. 5 and 19; Portia, Newfoundland Rys. and SS. Co., Aug. 31; Nova Scotia, Sept. 4; Newfoundland, Sept. 20—both Furness Line.

To Kingston, Jamaica.—Cathcart, Aug. 29 and Sept. 26; Cavalier, Sept. 12—both Canadian National.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Drake, Aug. 25; Lady Nelson, Sept. 8; Lady Hawkins, Sept. 22—all Canadian National; Heroy, Aug. 31; Ary Lensen, Sept. 14; a steamer, Sept. 28—all Ocean Dominion SS. Corp. (call at Guadeloupe and Martinique if sufficient cargo offered but not at Nevis or Montserrat).

To Puerto Rico, Barbados, Trinidad and Demerara.—Colborne, Aug. 22; Cornwallis, Sept. 5; Chomedy, Sept. 19—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To Santiago (Cuba) and Kingston (Jamaica).—Kirsten B., Aug. 24; Lutz, Sept. 7—both Pickford & Black Ltd. (also call at Jamaican outports as cargo offers).

To Far East Ports.—Cingalese Prince, Aug. 21; Malayan Prince, Sept. 21—both Furness-Prince Line; Silvertask, Silver Line, Sept. 3.

From Saint John

To Liverpool and Manchester.—Manchester Brigade, Manchester Line, Sept. 7.

To London, Newcastle, Aberdeen and Hull.—Kelso, Ellerman's Wilson Line, Sept. 9.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Nelson, Aug. 31; Lady Hawkins, Sept. 14; Lady Drake, Sept. 28—all Canadian National.

To Kingston and Jamaican Outports.—Crawford Ellis, Aug. 26 and Sept. 9; Harboe Jensen, Sept. 2—both United Fruit Co. (cargo accepted for Caribbean, Central and South American ports with transhipment at Kingston).

From Vancouver

To Yokohama, Kobe and Osaka.—Hiye Maru, Aug. 27; Heian Maru, Sept. 10; Hikawa Maru, Oct. 1—all Nippon Yusen Kaisha.

To Yokohama, Kobe, Shanghai, Hongkong and Manila.—Empress of Asia (calls Nagasaki), Sept. 3; Empress of Canada (calls Honolulu), Sept. 17; Empress of Russia (calls Nagasaki), Oct. 1; Empress of Japan (calls Honolulu), Oct. 14—all Canadian Pacific; Talthybius, Sept. 3; Tyndareus, Oct. 4—both Blue Funnel Line (call at Miike but not at Manila).

To Honolulu, Suva, Auckland and Sydney.—Niagara, Aug. 31; Aorangi, Sept. 28—both Canadian-Australasian Line.

To Manila, Iloilo, Cebu, Soerabaya, Samarang, Batavia, Colombo and Bombay.—Talisce (calls at Belawan Deli, also at Singapore and Port Swettenham if cargo offers), Aug. 22; Djambi (calls at Saigon, Singapore and Persian Gulf ports, also at Port Swettenham and Belawan Deli if cargo offers), Sept. 1; Tosari (calls at Saigon, Singapore and Persian Gulf ports, also at Port Swettenham and Belawan Deli if cargo offers), Oct. 1—all Silver-Java Pacific Line.

To Papeete, Auckland, Wellington, Dunedin, Melbourne and Sydney.—Tolten, Sept. 16; Speybank (also calls at Lyttelton), Sept. 25—both Canadian-Australasian Line.

To Brisbane, Sydney, Melbourne and Adelaide.—Yngaren, Sept. 10; Tolken, Oct. 10—both Empire Shipping Co. Ltd.

To London, Plymouth, Hull and Swedish Ports.—San Francisco, Sept. 3; Axel Johnson, Sept. 23; Margaret Johnson, Sept. 30 (does not call at Hull)—all Johnson Line.

To London, Liverpool and Rotterdam.—Drechtlyk, Sept. 3; Lochavon (calls Glasgow), Sept. 17; Lochkatrine, Oct. 1—all North Pacific Coast Line.

To Antwerp, Hamburg and Bremen.—Seattle, Aug. 28; Tacoma, Sept. 12—both Hamburg-American Line; Este, Sept. 2; Schwaben, Oct. 3—both North German Lloyd Line.

To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.—San Pedro, Sept. 3; San Diego, Sept. 24; San Jose, Oct. 7—all Empire Shipping Co. Ltd.

To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.—Leme, Sept. 14; Fella, Oct. 8—both Empire Shipping Co. Ltd.

To Port of Spain (Trinidad) and Bridgetown (Barbados).—Chr. Knudsen, Canadian Transport Co., Aug. 24.

To Cape Town, Port Elizabeth, East London, Durban and Lourenco Marques.—Manoeran, Sept. 6; Silverwillow, Oct. 7—both Silver-Java Pacific Line (call at Beira and Calcutta, will also call at Colombo and Madras if sufficient cargo offers); Imperial Valley, North Pacific Shipping Co. Ltd., about Sept. 3 (calls at Beira but not at East London).

To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.—Hardanger, Aug. 25; Hoyanger, Sept. 26—both Empire Shipping Co. Ltd. (will call at West Coast ports if sufficient cargo offered).

COMMERCIAL INTELLIGENCE SERVICE

L. D. WILGRESS, *Director*

Argentina

J. A. STRONG, B. Mitre 430, Buenos Aires (1). (Territory includes Uruguay.) *Cable address, Canadian.*

Australia

Sydney: L. M. COSGRAVE. Address for letters—P.O. Box No. 3952V. Office—City Mutual Life Building, Hunter and Bligh streets. (Territory includes Federal District of Canberra, New South Wales, Queensland, Northern Territory and Dependencies.) *Cable address, Canadian.*

Melbourne: FREDERICK PALMER. Address for letters—Box 196C, G.P.O. Office—Safe Deposit Office Building. (Territory includes States of Victoria, South Australia, Western Australia, and Tasmania.) *Cable address, Canadian.*

Belgium

YVES LAMONTAGNE, Shell Building, 60 Ravenstein Street, Brussels. *Cable address, Canadian.*

Brazil

L. S. GLASS. Address for letters—Caixa Postal 2164, Rio de Janeiro. Office—Ed. Da. "A. Noite," Sala 802, Praca Maua. *Cable address, Canadian.*

British India

PAUL SYKES. Address for letters—P.O. Box 2003, Calcutta. Office—23 Esplanade Mansions, Government Place East, Calcutta. (Territory includes Burma and Ceylon.) *Cable address, Canadian.*

British Malaya

B. C. BUTLER, Union Building, Singapore, Straits Settlements. (Territory includes the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India.) *Cable address, Canadian.*

British West Indies

Trinidad: M. B. PALMER. Address for letters—P.O. Box 125, Port of Spain. Office—Barclay's Bank Building. (Territory includes Barbados, Windward and Leeward Islands, and British Guiana.) *Cable address, Canadian.*

Jamaica: F. W. FRASER, P.O. Box 225, Kingston. Office—Canadian Bank of Commerce Chambers. (Territory includes Haiti, the Bahamas, and British Honduras.) *Cable address, Canadian.*

China

H. A. SCOTT. Address for letters—P.O. Box 264, Shanghai. Office—Ewo Building, 27 The Bund, Shanghai. (Territory includes Central China and North China.) *Cable address, Canadian.*

Cuba

C. S. BISSETT. Address for letters—Apartado 1945, Havana. Office—Royal Bank of Canada Building, Calle Aguiar 75, Havana. (Territory includes Dominican Republic and Puerto Rico.) *Cable address, Canadian.*

Egypt

HENRI TURCOT. Address for letters—P.O. Box 1770, Cairo. Office—22 Shari Kasr el Nil, Cairo. (Territory includes the Sudan, Palestine, Cyprus, Iraq, Syria, Iran, Greece, Turkey, Bulgaria, and Roumania.) *Cable address, Canadian.*

France

HERCULE BARRÉ, Commercial Attaché, 3 rue Scribe, Paris (9). (Territory includes French Colonies in North Africa.) *Cable address, Cancomac.*

Germany

J. C. MACGILLIVRAY, Bendlerstrasse 38, Berlin, W. 35. (Territory includes Czechoslovakia and Poland.) *Cable address, Cantracom.*

Hongkong

V. E. DUCLOS. Address for letters—P.O. Box 80, Hongkong. Office—Hongkong and Shanghai Bank Building, Hongkong. (Territory includes South China, the Philippines, and Indo-China.) *Cable address, Canadian.*

Ireland

JAMES CORMACK, 66 Upper O'Connell Street, Dublin, Ireland (*cable address, Canadian*); and 36 Victoria Square, Belfast, Northern Ireland.

CANADIAN GOVERNMENT TRADE COMMISSIONERS—*Con.*

Italy

A. B. MUDDIMAN. Via Manzoni Nr. 5, Milan (102). (Territory includes Spain, Portugal, Gibraltar, Malta, Albania, and Yugoslavia.) *Cable address, Canadian.*

Japan

Tokyo: C. M. CROFT, Commercial Secretary. Address for letters—P.O. Box 18, Akasaka Post Office, Tokyo. Office—Canadian Legation, 16 Omotecho, 3-chome, Akasakaku, Tokyo. *Cable address, Canadian.*

Kobe: P. V. McLANE. Address for letters—P.O. Box 230, Kobe. Office—309 Crescent Building, 72 Kyomachi, Kobe. *Cable address, Canadian.*

Mexico

R. T. YOUNG. Address for letters—Apartado Num. 126-Bis, Mexico City. Office—Edificio Banco de Londres y Mexico, Num. 30, Mexico City. (Territory includes Guatemala, Honduras, and Salvador.) *Cable address, Canadian.*

Netherlands

J. A. LANGLEY, Coolsingel 111b, Rotterdam. (Territory includes Switzerland.) *Cable address, Canadian.*

New Zealand

W. F. BULL. Address for letters—P.O. Box 33, Auckland. Office—Yorkshire House, Shortland Street, Auckland. (Territory includes Fiji and Western Samoa.) *Cable address, Canadian.*

Norway

RICHARD GREW, Stortingsgaten 28, Oslo. (Territory includes Sweden, Denmark, and Finland.) *Cable address, Canadian.*

Panama

W. J. RIDDIFORD. Address for letters—P.O. Box 222, Panama City. Office—Royal Bank of Canada Building, Santa Ana Plaza, Panama City. (Territory includes the Canal Zone, Venezuela, Colombia, Nicaragua, and Costa Rica.) *Cable address, Canadian.*

Peru

M. J. VECHSLER. Address for letters—Casilla 1212, Lima. Office—Portal de Belén No. 166, Plaza San Martin, Lima. (Territory includes Bolivia, Ecuador, and Chile.) *Cable address, Canadian.*

South Africa

Cape Town: G. R. HEASMAN. Address for letters—P.O. Box 683. Office—Cleghorn & Harris Building, Adderley Street. (Territory includes Cape Province and Southwest Africa, Natal, Tanganyika, Kenya, Uganda, Mauritius, and Madagascar.) *Cable address, Cantracom.*

Johannesburg: J. L. MUTTER. Address for letters—P.O. Box 715. Office—Prudential Assurance Bldg., 92 Fox Street. (Territory includes Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland.) *Cable address, Cantracom.*

United Kingdom

London: FREDERIC HUDD, Chief Trade Commissioner in the United Kingdom, Canada House, Trafalgar Square, S.W.1. *Cable address, Sleighing, London.*

London: J. H. ENGLISH, Trade Commissioner, Canada House, Trafalgar Square, S.W.1. (Territory includes Home Counties, Southeastern Counties, and East Anglia.) *Cable address, Sleighing, London.*

London: W. B. GORNALL, Fruit Trade Commissioner, Aldine House, Bedford Street, Strand, W.C.2. *Cable address, Canfrucum.* (Territory—for fresh fruit only—includes United Kingdom, Norway, Denmark, Sweden, France, Holland, Belgium, and Germany.)

London: W. A. WILSON, Animal Products Trade Commissioner, Canada House, Trafalgar Square, S.W.1. *Cable address, Agrilson.*

Liverpool: ACTING TRADE COMMISSIONER, Martins Bank Building, Water Street. (Territory includes North of England, Lincolnshire, North Midlands, and North Wales.) *Cable address, Canadian.*

Bristol: E. L. MCCOLL, Northcliffe House, Colston Avenue. (Territory includes West of England, South Wales, and South Midlands.) *Cable address, Canadian.*

Glasgow: G. B. JOHNSON, 200 St. Vincent Street. (Territory covers Scotland.) *Cable address, Cantracom.*

United States

D. S. COLE, British Empire Building, Rockefeller Center, New York City. (Territory includes Bermuda.) *Cable address, Cantracom.*

Note.—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.

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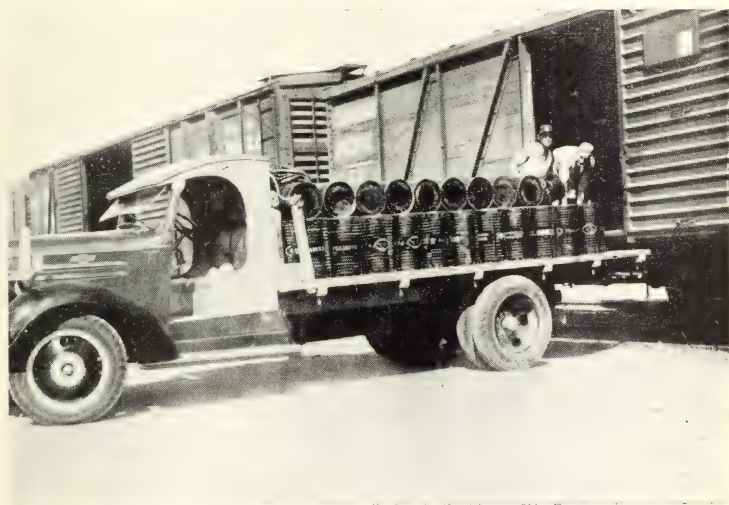
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COMMERCIAL INTELLIGENCE JOURNAL

Vol. LIX

Ottawa, August 27, 1938

No. 1804



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Ferry to Havana, Cuba

ISSUED BY AUTHORITY OF
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE
JAMES G. PARMELEE, DEPUTY MINISTER

CONTENTS

	Page
Points for Exporters to Cuba.....	321
Trade Commissioners on Tour.....	327
Retirement of Mr. H. R. Poussette.....	328
Prospects for Canadian Timber in the North of England.....	329
Fish Meal and Oil Prospects in the United Kingdom.....	331
The Ceylon Market:	
II. Foreign Trade.....	335
Economic Conditions in the Netherlands, January to June....	338
Market for Feedstuffs in Switzerland.....	340
Guatemalan National Mortgage Bank Warehouses.....	343
Tariff Changes and Customs Regulations.....	345
Tenders Invited: New Zealand.....	346
Foreign Exchange Quotations.....	347
Trade Inquiries for Canadian Products.....	348
Proposed Sailings from Canadian Ports.....	348
Commercial Intelligence Service.....	351

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Vol. LIX

Ottawa, August 27, 1938

No. 1804

POINTS FOR EXPORTERS TO CUBA

C. S. BISSETT, CANADIAN TRADE COMMISSIONER

Havana, August 10, 1938.—Cuba is the largest and the most important of the islands in the Caribbean and occupies a dominant position in all phases of the life of the entire group. Until 1898 it was a colony of Spain but became a free and independent republic at the close of the Spanish-American war. It is governed by an elected President, Senate, and House of Representatives.

AREA AND TOPOGRAPHY

The island is situated between 23° 8' to 19° 57' N. Lat. and 74° 30' to 85° W. Long. Its length is about 760 miles, varying in width from 36 to 100 miles, a total area estimated at 44,164 square miles. It is divided into six provinces which, ranging from west to east, with their areas in square miles, are as follows: Pinar del Río, 5,206; Havana, 3,170; Matanzas, 3,256; Santa Clara, 8,257; Camagüey, 10,064; and Oriente, 14,211.

In the Provinces of Pinar del Río and Oriente the country is hilly and sub-mountainous, but the remaining sections are generally flat or gently rolling. The coast-line extends some 2,000 miles and there is a remarkable number of good harbours and anchorages throughout its length.

Although Cuba has numerous small rivers, none is of importance for navigation purposes except the Cauto, navigable for about 50 miles, and the Sagua la Grande for about 20 miles.

CLIMATE

Cuba's climate is sub-tropical, for although situated below the Tropic of Cancer the island is tempered by the North East trade winds. Mid-day temperatures are consistently below those of points of similar latitude on the mainland. The range of temperature in Havana is from 60° to 98° Fahrenheit, the average for the winter season being around 70° and for the summer season around 85°. During the latter period, however, the percentage of humidity is very high. Average temperatures in Santiago de Cuba are somewhat higher. The dry, or cool season, which has its periodic rains, runs from November to May. The rainy, or hot, season (the remainder of the year) is marked by frequent heavy thunderstorms which, however, pass off rapidly. The average annual rainfall is around 54 inches.

POPULATION

The total population of Cuba on December 31, 1937, was estimated at 4,164,996. The density of population, according to provinces, per square kilometre, is as follows: Havana, 125·27; Matanzas, 42·38; Santa Clara, 40·13; Oriente, 30·58; Pinar del Río, 26·56; and Camagüey, 16·60. Of the total, approximately 1,200,000 are white; 1,500,000 part white; 1,200,000 negro; and the

remainder Asiatics, Carib Indians, and other unclassified races. The population of the City of Havana is about 600,000.

NATURAL RESOURCES AND INDUSTRY

Cuba is not well endowed with natural resources, these being confined almost entirely to a few metallic minerals. Limited amounts of copper, chrome, manganese and iron ores and silicates are exported. Deposits of mercury, zinc, antimony, coal and asbestos exist, and small quantities of gold are mined. Oil deposits are known to exist but these so far have not been exploited on a commercial scale. Various kinds of tropical hardwoods, salt deposits, and asphalt are the only other resources of importance.

The agricultural and, to a smaller extent, the pastoral industries are the mainstay of the population. Sugar is Cuba's economic barometer and prosperity or adversity depend almost entirely upon the overseas market for this commodity. The island is, however, by no means self-sustaining in foodstuffs, as large volumes of essential products including wheat flour, rice and lard, must be imported.

Industrialization to date extends to only the simpler types of consumers' goods. The production of capital goods is almost non-existent. The main industries in the former category are refining of sugar and its by-products; tobacco manufacturing; leather and leather goods; furniture; textiles and clothing; confectionery and food products; soaps, perfumes, and toilet preparations; candles and matches; alcohol, rum, and beer; building materials such as cement, stone, marble, brick, and tile; paints; paper and cardboard. There are, therefore, sales opportunities for a wide range of commodities, depending upon price and quality and upon the purchasing power of the people.

LANGUAGE

Spanish is the national language, although English is well understood and fairly widespread among the upper classes. Many commercial firms can correspond in English, but for the smaller concerns Spanish is essential. For customs purposes, commercial invoices may be in Spanish, English, or French. All advertising matter should be in Spanish and should be prepared in Cuba.

CURRENCY AND BANKING

The national currency is the peso, equivalent in value at par to the Canadian and United States dollars. It is divided into 100 centavos. United States notes also circulate widely, particularly during the winter tourist season, as does to a more limited extent United States token coinage.

The banking services are operated mainly by foreign companies, among which Canadian banks are prominent. Such foreign banks in Havana are as follows:—

The Royal Bank of Canada, with nine branches in Havana and its suburbs, and others in Santiago de Cuba, Camagüey, Cienfuegos, Pinar del Río, Banes, Bayamo, Guantánamo, Holguín, Caibarién, Sagua la Grande, Sancti Spiritus, Santa Clara, Morón, and Ciego de Avila;

The National City Bank of New York, with five branches in Havana, and others in Camagüey, Cárdenas, Cienfuegos, Matanzas, Santa Clara, and Santiago de Cuba;

First National Bank of Boston, with three branches in Havana and others in Cienfuegos and Santiago de Cuba;

The Bank of Nova Scotia, with four branches in Havana and others in Santiago de Cuba, Camagüey, Cienfuegos, and Manzanillo;

The Canadian Bank of Commerce, with one branch in Havana;

The Chase National Bank of the City of New York, with one branch in Havana;

The Federal Reserve Bank of Atlanta, with one branch in Havana;

General Motors Acceptance Corporation (Mendoza y Compañía), Havana.

There are no foreign exchange control regulations of any kind in force in Cuba.

QUOTATIONS, CREDITS, AND TERMS

Almost invariably, c.i.f. prices are demanded by importers and whenever possible these should be quoted by shippers. Occasionally, depending upon the commodity, f.o.b. Atlantic port of shipment prices are acceptable. At no time should quotations be on the basis of f.o.b. or f.o.r. factory or any interior point where rail shipment is first necessary to the ocean port of shipment. It is impossible for importers here to determine accurately such rail and handling charges and quotations upon such a basis are invariably ignored.

Practically any one of the banks will supply confidential credit information on local firms of importers. An active branch of Dun and Bradstreet operates in Cuba, and Canadian subscribers to this service can obtain up-to-date and accurate credit information upon any firm in the island.

This firm recently issued a pamphlet listing the usual selling terms current in Cuba for almost all import commodity groups as follows:—

Food Products.—Meat products S/D, 30 O/A; flour, S/D, 30 O/A-S/D; packaged products, 30 S/D; milk products, S/D; non-alcoholic beverages, cash; confections, 20 O/A.

Textiles.—Dry goods, 60-70 O/A, 90 D/D; hosiery, 60 S/D, 30-60 O/A; laces, silks, etc., 70 D/D, 60 O/A; cotton yarns, 70 O/A, D/D; rayon yarns, 30-75 D/D with Disc. (i.e., discount for payment within discount period); upholstery fabrics, 60-120 O/A with Disc.; carpets and rugs, S/D, 60 O/A-D/D; braids and trimmings, 30-60 O/A; hats, 20-120 D/D with Disc.; bathing suits, 60 S/D.

Wood Products.—Lumber and flooring, S/D; furniture, S/D, 60 D/D; fibre products, S/D, cash; corks and closures, 60-90 S/D.

Paper Products.—Newsprint, 90 O/A, S/D-90 S/D; boxes, bags, containers, S/D; tissue, napkins, 120 S/D; printed forms, 60-90 S/D; blotters, specialties, 60-90 S/D; novelties, calendars, 30 O/A.

Chemicals.—Drugs, biologicals, O/A-90 O/A, 60-150 D/D; industrial chemicals, 30-90 O/A, S/D-90 S/D; paints and varnishes, 60-120 D/D; toilet articles, O/A; insecticides, O/A, S/D; crayons, 90 D/D.

Petroleum.—Petroleum and its products, S/D-60 S/D, cash.

Rubber Products.—Rubber goods, 60 O/A, 60 D/D.

Leather Products.—Shoes, 30-60 O/A, 60-90 D/D.

Glass, Clay, and Stone.—Glass and glassware, 60 S/D, 60 O/A; optical goods, 60 O/A; fire-brick, insulating board, S/D, 120 D/D.

Iron and Steel Products.—Sheets, tinware, tubes, S/D-90 D/D, O/A-90 O/A; hardware, steel wire and rope, O/A-S/D, 90 D/D; metal beds and springs, 90 S/D.

Non-Ferrous Metal Products.—Silversmith's, 60-90 O/A; watches and attachments, 30 O/A; aluminium products, 60 S/D.

Machinery and Electrical Equipment.—Radios, refrigerators, 60-90 O/A, L/C; electrical machinery and equipment, 90 T/A; typewriters and business machines, O/A, S/D; fittings, plumbing supplies, 90-180 S/D, T/A-90 O/A; heavy machinery, 60 O/A-S/D, 2-year conditional sale; textile machinery, S/D.

Transportation Equipment.—Trucks and cars, irrevocable L/C; automotive accessories, S/D.

Miscellaneous Goods.—Tobacco and cigarettes, O/A; fountain pens, 30-150 S/D, O/A and S/D.

NOTE.—S/D=sight draft; D/D=date of draft; O/A=open account; L/C=letter of credit; T/A=trade acceptance; conditional sale=instalment sale or hire purchase agreement.

The distance from Cuba of the point at which the draft is drawn will have an important bearing on the terms of the draft because of the time taken in postal transit.

WEIGHTS AND MEASURES

The official system of weights and measures current in Cuba is the metric system. For certain import and export commodities, however, the British pound and its multiples are used commercially. In still others the Spanish pound (1.014 British pounds) and its multiples, employed after the British pattern, are used. For example, one Spanish long ton is 2.240 Spanish pounds, equaling about 2.271 British pounds. Other weights used are the arroba (25 Spanish pounds) and quintal (100 Spanish pounds—the metric quintal is 100 kilograms).

Imperial measures are not current, but the American gallon is widely used, particularly in the sale of gasoline, and its divisions in the sale of other liquids. British linear and square measures are also employed to a certain degree. Neither the British system nor the metric system is usually employed, however, in the measurement of land or in the retail textile industry. In the former the caballería (33.16 acres) and in the latter the vara (33 inches) are the standard measures.

DOCUMENTATION

A leaflet explaining the essentials of documentation covering shipments to Cuba is available on application to the Director, Commercial Intelligence Service, Department of Trade and Commerce, Ottawa.

MARKING REGULATIONS

Until recently no marking regulations were in existence, but a law to that effect was recently promulgated. This was published under the title "Cuba: Marking Regulations," in *Commercial Intelligence Journal* No. 1795 (June 25, 1938), page 1048. As additional regulations for the marking of specific commodities are issued by the Cuban Government, they will similarly be reported upon and will appear in the *Commercial Intelligence Journal*.

PACKING

No special packing regulations are in force, except in the case of the following liquors: aguardiente, rum, gin, brandy, whisky, liqueurs, cordials, and all other spirituous liquors not specially mentioned in the customs tariff—none of which may be imported in containers holding more than one litre. Where goods are assessable under specific rates of duty, the packing material should be as light as possible consistent with strength.

POSTAL RATES AND PARCEL POST

Both Cuba and Canada are signatories to the Postal Union of the Americas and Spain, and there has been in force for some years a parcel post convention between the two countries. Canadian postal rates and regulations will, therefore, apply on all mail matter dispatched to Cuba. Parcel-post rates may be had on application to any Canadian post office. Airmail will similarly be handled at the prescribed rates.

ROUTING OF SHIPMENTS

There is only one regular direct shipping line operating between Canadian and Cuban ports, namely, that of Messrs. Pickford and Black, Halifax, Nova Scotia, which calls at one Cuban port only, Santiago de Cuba. Shipment to Havana requires the use of the several lines running out of New York and Boston. Those chiefly engaged in Cuban trade are:—

New York and Cuba Mail Steamship Company (Ward Line),
United Fruit Company.

All rail shipments can also be made from any Canadian centre direct to Havana by means of the car ferries operated from New York and New Orleans by Messrs. Seatrain Lines Inc., and from Port Everglades, Florida, by Messrs. Florida East Coast Car Ferry Co. Shipments will also be handled by the express companies.

There is similarly no direct regular line operating between the British Columbian ports and Cuba. The routing recommended is from such ports to

San Francisco for transshipment to steamers, operating between that port and United States Atlantic ports or Europe, which call at Havana. Alternatively, steamers on the San Francisco-New Orleans run, with transshipment at the latter port, will offer equal through bill-of-lading freight rates. In addition, shipment may be made by the vessels of the Canadian Transport Company, Vancouver, with transshipment at Cristóbal to the steamers of any line operating between the West Coast of South America and Europe and calling at Havana, such as the Pacific Steam Navigation Company.

PORTS OF ENTRY AND DISTRIBUTION CENTRES

Havana is by far the most important port of entry in Cuba, as about 80 per cent of the country's total imports enter through that centre. Santiago de Cuba follows, handling approximately 6 per cent of the total. Next in order come Cienfuegos and Nuevitás, each with 3 per cent, the remainder being split up among several others of minor standing.

Havana is likewise the only distribution centre of importance because of its control of the import trade. The other ports are of secondary importance, as are several interior cities such as Camagüey, Matanzas, Manzanillo, Pinar del Río, and Santa Clara.

CUSTOMS TARIFF

The Cuban customs tariff is divided into four columns: maximum column, minimum column plus 25 per cent surcharge, minimum column, and United States preferential column.

The maximum tariff is applied to the products of countries which in the preceding year did not buy national products from Cuba, strictly according to Cuban official statistics, of a value of at least 25 per cent of its sales to Cuba. The minimum tariff plus 25 per cent surcharge is applied to countries which bought between 25 and 50 per cent of its sales. The minimum tariff, which is just half of the maximum, is applied to countries which bought 50 per cent or more of its sales. Except where such action is limited by trade treaties or agreements, the relevant tariff is allocated annually to each country which exports to Cuba.

The preferences granted to the United States apply on every item in the tariff. They are in the form of discounts from the tariff rates of the minimum tariff or the rates given to other countries by treaty, i.e., the lowest rate. They range from 20 to 87 per cent and result in monopoly control by United States exporters of a great many categories of Cuban import trade.

FOREIGN TRADE

The value of the Cuban market is shown in the statistics covering the total foreign trade of the island in recent years as follows:—

Foreign Trade of Cuba

Year	Imports	Exports
1929	\$216,216,113	\$272,439,762
1930	162,452,268	167,410,669
1931	80,111,592	118,865,553
1932	51,014,265	80,671,735
1933	42,362,000	84,391,000
1934	73,388,154	107,746,409
1935	95,464,502	128,022,342
1936	103,215,001	154,846,769
1937	129,572,117	186,071,036

The total purchasing power of the Cuban people varied greatly in the period indicated as evident in the depression years. World conditions have improved in recent years and, aided greatly by the trade treaty signed with the United States in 1934, Cuban economic conditions have reacted beneficially. It must be remembered, however, that Cuba is, to all intents and purposes, a "one-crop" country; sugar, and the conditions in this one industry exert a greater influence on Cuban economy than do all other conditions combined. In 1936, sugar and its products accounted for 81 per cent of Cuba's total exports. Efforts are being made to obtain greater crop diversification, but it will be many years before this can be accomplished in effective form. Meanwhile, close contact with the long-time fluctuations in the United States sugar market, where Cuba by treaty is allotted annually a substantial quota at preferential duty rates, and to a lesser degree with those in the free world market, will provide an excellent barometer of Cuban economic conditions and purchasing power.

TRADE WITH CANADA

The total trade between Canada and Cuba has declined during the past twelve years. On the one hand, Canada has almost ceased purchasing Cuban raw sugar and, on the other, Cuba similarly has almost stopped buying Canadian table potatoes and has greatly curtailed her purchases of dried fish. The following table illustrates the total value of this trade in accordance with Cuban statistics. These cannot be considered as accurate, as both the imports from and the exports to Canada from Cuba are consistently below Canadian official figures. These discrepancies are mainly due to the difficulty in recording the true origin or destination of shipments handled by intermediary firms in the United States.

Cuban-Canadian Trade

Year	Cuban Imports	Cuban Exports
1926	\$7,070,581	\$4,584,467
1927	6,031,457	4,651,751
1928	4,756,156	3,797,224
1929	4,915,000	3,450,924
1930	3,657,000	1,921,829
1931	1,678,620	898,240
1932	1,076,001	600,178
1933	891,374	531,032
1934	1,196,005	520,919
1935	1,171,570	255,222
1936	979,754	223,089
1937	1,011,147	662,178

In recent years the great bulk of Canada's exports to Cuba consisted of such articles as newsprint and seed potatoes, which were importable free of customs duties or those, like dried codfish and malt for beer-brewing, which were dutiable at minimum tariff rates whatever their origin. In most of these, Canada benefits from tariff treatment as favourable as that given to any other country (the United States must always be excepted from this condition while the present Cuban-American Trade Treaty exists). The tariff treatment will determine in the main whether any particular Canadian product will be saleable in Cuba. Where competition arises from any country other than the United States, ultimate sales success will depend on straight commercial factors such as price, quality, public appeal, and so forth. Where the United States is a competitor, success will depend on whether the Canadian manufacturer can overcome the tariff handicap constituted by the preference on every item in the customs tariff given to the United States and still offer equal value on the basis of the landed cost of the product in question.

REPRESENTATION

There are only two important types of representation in Cuba, the sole agent and the sole distributor. The former operates on a commission basis only and does not finance any shipment. The exporter must draw upon the actual importer of the goods from whom the agent takes the order. Conversely, the sole distributor is the actual and only importer and finances all shipments made to his own allotted territory. Thereafter, he will arrange distribution and sale at his own price level.

As a rule, the former type of representation gives much better coverage of the importing community, but it also entails greater financial risk in that drafts must be drawn upon a great many firms instead of only one. Conversely, the trading risk, when dealing solely with a distributor of sound financial standing, is considerably minimized but coverage is restricted to that particular firm's clients. Some firms are available who operate in both categories but they handle usually as sole distributors only those lines which are not adaptable for sale by sole agents, such as machinery, vehicles and similar heavy products. Generally, a sole agent should be sought for lines which permit the exhibition of easily portable sample ranges and sole distributors for the remainder.

As Havana is the commercial centre of the republic, either an agent or a distributor appointed in this centre will usually be sufficient to cover the whole island effectively. Certain lines, however, require sub-agents in at least Santiago de Cuba and possibly Cienfuegos and others, chiefly for perishable foodstuffs, and separate agents may be required in all such centres.

Before appointing a representative, an exporter should first, if at all possible, visit Cuba to look over the ground and confer with a number of suitable firms in a position to act in that capacity. Once appointed the representative should be provided with the fullest possible information upon the line itself and upon the exporter's financial terms.

TRADE COMMISSIONERS ON TOUR

Mr. Yves Lamontagne, Canadian Trade Commissioner at Brussels, Belgium, and Mr. M. J. Vechsler, Canadian Trade Commissioner at Lima, Peru (whose territory includes Bolivia, Ecuador, and Chile), are visiting the principal industrial centres of Canada in the interest of Canadian trade with their respective territories. Their itineraries are as follows:—

Mr. Lamontagne

Saint John Aug. 29	Quebec City Sept. 1
Halifax Aug. 30	Ottawa Sept. 2

Mr. Vechsler

Edmonton Aug. 31	Ottawa Sept. 23
Toronto Sept. 6 to 20	

Firms who wish to be brought in touch with the Trade Commissioners should communicate for Toronto and Edmonton with the office of the Canadian Manufacturers Association; and for the other centres, with the respective Board of Trade or Chamber of Commerce.



RETIREMENT OF MR. H. R. POUSSETTE

Mr. Henry Rivington Poussette, until recently Canadian Trade Commissioner at Liverpool, England, has been retired from the Canadian Government Service after reaching the age of compulsory retirement. Mr. Poussette was the oldest member of the Canadian Government Commercial Intelligence Service in point of service, having been appointed in 1909.

He was born in August, 1872, was a graduate of the Royal Military College, Kingston, Canada, and saw considerable military service in the South African War and the Great War. For a number of years after the termination of the South African War, Mr. Poussette served with the South African Constabulary in the capacity of District Commandant.

Mr. Poussette leaves the Commercial Intelligence Service with a remarkable record to his credit. He was Canadian Trade Commissioner at Durban, Buenos Aires, Port of Spain, Calcutta, San Francisco, and Liverpool, and for a time held the position of Director of the Commercial Intelligence Service.

PROSPECTS FOR CANADIAN TIMBER IN THE NORTH OF ENGLAND

H. R. POUSSETTE, CANADIAN TRADE COMMISSIONER

Liverpool, August 6, 1938.—Imports through the port of Liverpool show a decrease in all classes of softwoods unloaded from Canada from approximately 83,000 standards in the first seven months of 1937 to 65,000 standards or a little over 21 per cent this year to the end of July. Softwoods from all countries imported through Liverpool in the January to July, 1938, period totalled 108,390 standards as compared with 156,846 standards for the corresponding period last year.

Imports from Danzig and Poland fell from 14,828 standards to 6,599 standards; Finland from 3,793 to 2,696; Latvia from 5,937 to 4,844; Roumania from 11,399 to 3,126; Russia from 15,320 to 5,864; Sweden increased from 5,896 to 6,184, and the United States from 8,372 to 8,475.

Of Canadian timbers Douglas fir shows a drop from 39,556 standards to 27,234 standards; pine from 4,140 to 3,402; spruce from 28,145 to 24,474; hemlock from 9,521 to 8,273. Cedar has increased from 613 to 812 standards. Spruce has been holding up remarkably well, and most of the decrease shown has occurred in the last month, imports in July, 1937, being 8,910 while in July, 1938, they were down to 5,550 standards.

THE BUILDING TRADE

The building trade has maintained its activity surprisingly well, although there has been a small decline in the past two months as is shown by an increase of about 2.5 per cent in the unemployment returns. The total value of building plans passed by 140 local authorities in the North of England during the month of July registered a decline of nearly 7 per cent from the same month of last year. This decline is mainly in respect of factories, stores and office buildings. The value of plans passed for dwelling houses showed an increase over July of last year.

It is difficult to forecast the future of building apart from public works. Anyone travelling about England cannot fail to be impressed by the number of new houses to be seen everywhere, many of them built by Corporations under the housing schemes, and others built on the outskirts of cities and towns, and in the country, by private builders.

SLUM CLEARANCE

There is still much slum clearance work to be done, but for that purpose large blocks of flats appear to possess advantages, and quite a number are being constructed in large cities in the North. In Liverpool, Manchester, Hull, and Leeds blocks of flats or tenements are helping to meet the needs of many of the poorer classes. In Leeds there is being erected a block of flats that will house as many as 960 families, built on most modern lines with amenities and advantages that were undreamt of a few years ago. In flats of this kind and in working class dwellings England leads the world, and the last few years has seen a tremendous transformation of the country.

A feature in regard to the flats that is of importance to the Canadian lumber industry, is that they require very little timber. It is understood the one in Leeds, mentioned above, is being constructed with a minimum of wood, concrete being employed when practicable. Probably the only wood used will be for doors and joinery, and the quantity will not be important. Dwellings built by corporations to meet the needs of housing have been responsible for the consumption of a great deal of Douglas fir in the last few years, since each one requires on an average about three-quarters of a standard.

FUTURE BUILDING PROSPECTS

At the present time business appears to be marking time. Many parties who contemplated erecting, or were having plans drawn up, for large and small buildings have, in many instances, decided to postpone them until the future is less obscure.

If the building trade should suffer a recession, Canadian timber shippers will have to give the greatest care to shipments to the United Kingdom to ensure that timber coming to this country meets every requirement. While there were numerous complaints in respect to Canadian timber up to three or four years ago, it can be asserted that few are received to-day, and these are usually confined to inaccuracies in sawing. There is no reason why complaints of any kind should not be entirely eliminated, and operators with an eye to the future will be wise if they address themselves to this problem. Receding business means increasing competition, and at such a time buyers will go where their interests are best served.

PLYWOOD

Returns issued by the Liverpool Timber Trade Association Limited indicate that Canadian plywood is making steady progress. As compared with the first seven months of 1937 when imports were valued at £8,306, those for the first seven months of the present year have risen to £9,982 in spite of a drop of over £350 in the month of July.

Imports of plywood from the United States for the first seven months of last year were valued at £38,000 while for the first seven months of the present year they are shown as just under £29,000.

TIMBER FOR RAILWAY WAGONS

Apparently the consumption of very large quantities of timber used in the manufacture and repairs of railway wagons is not appreciated in Canada. This trade merits attention. Railway wagons are of two types, covered and open. The latter kind is divided into two classes—one for certain kinds of goods, and the other for minerals, chiefly coal. Baltic deals, usually redwood, have been used for railway wagons, but in recent years at least two of the railway companies have used Douglas fir to some extent; one more than the other, as with one it is still in the testing stage. For open wagons, battens and deals 7 by 2½ inches and 9 by 2½ inches, in lengths of 16, 17, 18 and even up to 19 and 20 feet are used.

Railway wagons are built and repaired in the companies' own shops, except in the case of a heavy rush as was experienced last year when some orders were given to private builders. As a rule, however, railways are able to cope with their own demands. In addition to the wagons built in railway shops it is estimated that 15,000 mineral wagons are built by private companies to the orders of the more important collieries in the course of a year. There are hundreds of collieries, large and small, scattered over the United Kingdom and of these more than 100 of the more important are located in the North of England and Northern Midlands. Colliery engineers generally appear to be disinclined to the use of Douglas fir, likely due to unfamiliarity with the fine properties of this wood and its suitability for mineral wagons. Baltic deals in u/s grade are generally used. One advantage that Douglas fir has over this timber is that it can be obtained in specified lengths, and this ensures saving in cost. In u/s the lengths are not standardized.

Where Douglas fir has been used it is well liked, but it has one defect which could be easily remedied. It is claimed that instances still occur not infrequently where there is a difference of as much as ½ inch in thickness and in width up to 1 inch between the ends.

As in an average year there are probably 30,000 open and mineral wagons built by the railways and private builders, each one of which consumes approximately half a standard of softwood, it can be easily appreciated that the trade is a valuable one and well worth the close attention of British Columbia lumbermen. The grades of Douglas fir preferred for wagon frames are merchantable and select merchantable. Some of the Douglas fir being used was inspected, and undoubtedly would have compared more than favourably in grade with competing timber if the sawing had been equally accurate.

COVERED WAGONS

Covered wagons, which correspond more or less to the Canadian box cars, also use considerable quantities of timber in the form of what is called "sheeting." Sheeting is the term applied to the ends, sides, and tops of the covered wagons. For the frames of these wagons about three-quarters of a standard is required. For sheeting boards 7 inches by 1 inch (to finish 6½ inches by ¾ inch), t. and g., in lengths 12, 13, 14, 18, 19, and 21 feet are used. Here again Douglas fir is well liked, but unfortunately complaints have also been made in respect to sawing, as under-size boards will not finish to the dimensions stated. If a board only finishes to 6¼ inches or 6⅜ inches instead of the full 6½ inches it has to be discarded. The obtaining of sheeting in specified as opposed to random lengths is a great advantage, but might not be sufficient to offset the disadvantage of inaccurate sawing without at least a compensation in price.

In the under frames of wagons, only hardwood is used, chiefly American oak from the Southern States, Jarrah, and Bagac from Australia.

Not nearly so many covered cars as open are required. Nevertheless one railway company alone estimated their needs in sheeting at about 1,000 standards, and this apart from any wood that might be required for repairs. As there are four railway companies in England it will be seen that the consumption of t. and g. boards for sheeting must be considerable, and in addition to this there may be a certain amount used by private companies.

FISH MEAL AND OIL PROSPECTS IN THE UNITED KINGDOM

H. L. BROWN, ASSISTANT TRADE COMMISSIONER

London, August 6, 1938.—It is anticipated in the United Kingdom that the reduced production of fish meal in the United States (and Alaska) will mean an increased demand in that country for the Canadian Pacific Coast product, particularly if the recent improvement in the price structure continues. This is calculated to affect the quantity available to the British market. There has been a certain amount of whitefish meal exported from the Canadian Atlantic coast this year, a substantial share of which has been shipped to the United Kingdom. There appears to be no more available for United Kingdom buyers at the present, nor do the latter expect there will be much available in the fall.

IMPORTATIONS OF FISH MEAL

Imports of fish meal into the United Kingdom are mainly for use as feed-stuffs, there being no apparent importation for fertilizer. The following data are given in tons of 2,240 pounds:—

	1936		1937	
	Tons	£	Tons	£
Total fishmeal	7,797	76,533	7,065	79,274
Herring meal:				
Total	1,457	13,888	2,750	32,023
Iceland	527	5,092	1,178	13,273
Norway	643	5,800	1,132	13,591
Canada	223	2,242	415	4,868
Others	64	754	25	291

IMPORTS OF FISH MEAL INTO THE UNITED KINGDOM—*Con.*

	1936		1937	
	Tons	£	Tons	£
Other fishmeal (including whitefish, pilchard, etc.):				
Total.....	6,340	62,645	4,315	47,251
Canada	5,050	51,049	2,930	32,381
Japan	*	*	724	8,544
India.....	*	*	483	4,455
Portugal	*	*	79	848
United States	700	6,417	49	540
Others.....	590	5,179	50	483

* Included under "Others".

DOMESTIC PRODUCTION

There is a very important production of whitefish meal in the United Kingdom, centred principally at Hull, Grimsby, Aberdeen and London and estimated at more than 70,000 long tons a year. Production has increased, probably doubled, in the past ten years, chiefly as a result of the development of filleting, particularly at Hull and Grimsby. Fish which a few years ago was only cleaned is now filleted, leaving over fifty per cent of the weight available for conversion to by-products.

The United Kingdom is now a net importing country; exports, chiefly to Germany, have declined continuously for the past few years. The domestic demand has been enormously increased and in addition the domestic price is appreciably higher than that obtained for export.

UNITED KINGDOM MARKET

The supplies and requirements of the United Kingdom fish meal market are in a satisfactory position. Fairly substantial stocks of the domestic product are available at this time of the year, as the chief producing months are from February to May, inclusive, whereas the important months for selling are October to February inclusive.

Due chiefly to the mild winter, sales between January and March this year were on a lower scale than for the past few years. The drought during April, May and early June this year, however, made necessary the continuance of feeding processed meals, thus bringing up the yearly average requirements to normal.

Production declined substantially this year, due to the new government control of fisheries and by a certain amount of rationalization within the trawling business, particularly at Hull and Grimsby. There is thus no surfeit of whitefish meal on the market, and the domestic meal should command a fair price (at present about £14 f.o.b. cars).

OIL CONTENT OF FISH MEAL

Probably the greatest difficulty attached to the importation of fish meal into the United Kingdom relates to the question of oil content. United Kingdom manufacturers and the Ministry of Agriculture and Fisheries emphasize the value of low oil content in fish meal for suitable feeding purposes. The average United Kingdom whitefish meal is sold to-day on a maximum of 3 or, at the most, 4 per cent oil; the percentage as laid down by the Fertilizer and Feeding Stuffs Act is 6.¹ There is little likelihood of any official action to change the percentage.

¹ The methods of analysis, as laid down for the purposes of the Act are given in detail in a report on "Feedstuffs in the London Market," copies of which are available from the Department of Trade and Commerce at Ottawa.

Pilchard meal, and particularly herring meal, with higher oil content under present conditions of manufacture, is found difficult to sell in competition with the less oily domestic meal. They have, nevertheless, established for themselves a market among those who find the higher oil content valuable. This has been at the cost of a lower price than that prevailing for United Kingdom whitefish meal. The same conditions apply to the small quantities of grayfish meal and salmon meal imported from Canada, with the additional obstacle of colour; the dirty gray of the former and the pink of the latter show up oddly in feed mixes and arouse dislike.

CURRENT OUTLOOK FOR CANADIAN FISH MEAL

Pilchard.—The usual difficulties attached to the making of pre-seasonal and early season forecasts are further involved this season by the situation in the Canadian pilchard industry. While there has been a certain amount of forward business concluded, import business has been hampered pending solution of the price for fish in British Columbia.

The market for pilchard meal has been built up with difficulty, and it holds good promise of becoming more and more important to the Canadian industry. The problems of entering the United Kingdom market should not be complicated by lack of reliability and continuity of supplies, whether from better prices in other markets or from disputes which, by their very nature, could be solved before the season begins.

Whitefish.—There is a considerable outlet in the United Kingdom for Canadian whitefish meal. A much larger business could be done if Canadian producers could have additional supplies available.

Herring.—The market for Canadian herring meal is not as open as for whitefish and pilchard due to the problem of higher oil content, and also because it must enter into direct competition with the large supplies from Norway and Iceland. There will always be a fair demand for Canadian herring meal, but sales would be considerably larger if Canadian producers could adapt their processes to the manufacture of a meal with an oil content of 6 per cent or not more than 7 per cent (by United Kingdom method of analysis).

Other Fishmeals.—Similarly, other fish meals such as grayfish and salmon would find a much readier sale if oil content were reduced and particularly if some inexpensive method of bleaching or otherwise improving the colour were developed.

GENERAL PROSPECTS

The use of fish meals is expected to gradually extend and, as it is not probable that domestic production will increase materially, importation may be expected not only to continue but to expand. With a tariff preference for Empire meals there should be an increasing demand for Canadian meals: whitefish and also pilchard and, with the required reduction of oil content, for herring and possibly others. With the assistance that the United Kingdom Government recently announced for agriculture it is possible that the extension in use of fishmeals may be quickened. Canadian producers should pay detailed attention to the British market, particularly to continuity of supply and, if at all possible, to reducing oil content and improving colour.

FISH OIL MARKET SITUATION

While importations of fish meal into the United Kingdom amounted to £79,274 or about \$396,000 in 1937, the quantity of fish oils brought in aggregated £3,498,726, or nearly \$17,500,000. Of this total, whale oil accounted for

£3,048,185 or nearly \$15,250,000, leaving a balance of £450,541, or \$2,250,000 to other fish oils.

WHALE OIL POSITION

Whale oil practically governs the oil market. Prices began falling last September and during the first quarter of 1938 were poor. Whale oil production amounted to approximately 100,000 long tons more than in the previous season, due to the refusal of the Japanese and German whalers to limit their catches in common with the agreement arrived at among other whalers.

Germany, however, absorbed large quantities and the purchase of 135,000 long tons by the United Kingdom Government as a reserve supply has left the market with a carry-over of only about 35,000 tons. With probably 20,000 tons in various parts of the world, the present balance is not unwieldy and a feeling of cautious optimism prevails. Vegetable oils, too, are tending upwards in price.

IMPORT OF FISH OILS

Imports of hardened whale oil totalled 45,072 long tons, valued at £1,084,668 in 1937, principally from Holland, but also from Norway. Imports of other whale oil amounted to 106,832 tons, valued at £1,963,517, mainly from British whalers, but also from foreign whalers including those from Holland and Norway.

Imports of fish oils are given in the following tables (quantities in tons of 2,240 pounds):—

Imports of Fish Oils into the United Kingdom

	1935		1936		1937	
	Tons	£	Tons	£	Tons	£
Cod liver oil:						
Total	1,953	62,739	1,706	52,533	1,263	43,510
Newfoundland	1,027	28,653	1,050	26,424	871	26,363
Norway	795	30,393	627	24,971	383	16,765
Others	131	4,293	29	1,138	9	382
Fish oils, unrefined, other:						
Total	10,933	156,170	24,327	409,296	22,531	412,031
Japan	6,177	71,440	8,887	146,807	7,725	140,773
Canada	1,345	21,928	2,786	51,613	3,262	60,268
Falkland Islands	308	4,618	292	4,848	2,932	52,304
South Africa . . . . .	....	....	5,129	79,424	3,032	47,581
Norway	850	18,329	2,626	40,764	869	23,464
Holland	74	1,537	905	17,812	1,721	21,072
Newfoundland	1,182	22,533	1,171	23,472	644	14,764
British whalers	*	*	*	*	713	12,994
United States	*	*	*	*	130	12,529
Portugal	*	*	*	*	328	5,950
Chile	*	*	*	*	347	5,421
Denmark	*	*	*	*	228	3,694
Argentina	*	*	*	*	141	2,674
Belgium	*	*	*	*	193	3,182
Sweden	*	*	*	*	70	1,378
Others	997	15,785	2,531	44,556	196	3,983

* Included under "Others."

Canada not only took second place in 1937, but supplied about 14·5 per cent of the total of fish oils other than cod liver oil and whale oil. Somewhat less than one-third of the supplies from Canada was pilchard oil, the other two-thirds being herring and other oils.

There is little reason for any misgiving concerning the future of the market for fish oil; there will always be a demand for oil competitive in quality and price.

THE CEYLON MARKET

PAUL SYKES, CANADIAN TRADE COMMISSIONER

II. Foreign Trade

[One silver rupee (R.1) equals \$0.37 Canadian.]

Accurate records of trade and shipping have been maintained for the past sixty years, since the island's trading associations with the outside world assumed definite importance. In 1881 the recorded value of exports was Rs.36,000,000, of which approximately Rs.21,500,000 was taken by the United Kingdom, Rs.6,500,000 by other British countries, and Rs.8,000,000 by foreign markets. During the same year imports were valued at Rs.47,000,000: from the United Kingdom amounting to Rs.13,000,000; from other British countries, Rs.32,000,000; and from foreign countries, Rs.2,000,000. Over the intervening period, total trade values have increased to Rs.575,000,000.

The history of Ceylon's foreign trade is, to a large extent, one of increasing world demand for tea and to a smaller extent for rubber and coconut products, combined with a growing market in the island for the materials required for the production of these goods and for the foodstuffs and the few other commodities which cannot be economically produced locally. An outstanding feature is the colony's dependence on India and Burma for a large part of the foodstuffs, piece goods, and coal required by the native population and for sale as bunkers. Ceylon is primarily concerned in the trade with British countries, as no less than two-thirds of both exports and imports are credited to the Empire.

BALANCE OF TRADE

Since the commencement of the present century, Ceylon has had a large net excess of exports over imports. During 14 out of the 38 years from 1900 to 1937, imports have been the larger but except for one occasion, in 1920, the difference has been a small one only. Exports, on the other hand, showed larger increases from 1909 to 1919 and in each of these years were far in excess of import values. A similar trend was evident between 1922 and 1927 and again from 1933 onwards. During 1937 the favourable balance of trade amounted to Rs.89,007,000.

EXPORT TRADE

Ceylon's export trade has increased in value from Rs.36,000,000 in 1881 to Rs.332,000,000 in 1937. The latter figure is considerably below the record established during 1926 of over Rs.500,000,000 but represents a marked improvement on that for 1932 when a lower total (Rs.173,000,000) than for many previous years was recorded.

EXPORTS BY MAIN GROUPS

Food, drink, and tobacco is the most important of the main commodity groups exported in 1937, being valued at Rs.188,000,000. Tea made up most of this, but it also included the value of export shipments of desiccated coconut, cacao, cinnamon, coconut poonac, areca-nuts, raw tobacco, and cardamoms. All other values such as those for grain and flour, meat, and living animals were small.

The second most important group—raw and unmanufactured materials—includes as its main constituents rubber, coconut oil, copra, cinnamon, citronella oil, coir bristle and fibre, and plumbago. Export values for these products amounted to Rs.138,000,000.

Apart from the classification of animals not for food, the remaining commodity group is that of manufactured products. The total value of exports

of such goods amounted to only Rs.3,800,000 of which more than half represented the value of exports of foreign origin. In so far as purely domestic goods are concerned, the group is represented chiefly by coir yarn, ropes, and matting while it also includes small quantities of leather, metal manufactures, machinery, and wood products.

EXPORTS BY COMMODITIES

Tea.—Tea exports during 1937 accounted for over half the value of all outward shipments of Ceylon products. Even though quantities were slightly less than during the two preceding years, values appreciated considerably; prices ruling during a part of the year being at higher levels than at any time since 1929. There were slight declines in shipments to Canada and Australia.

Ceylon's principal markets for tea and the quantities exported thereto during 1937 are: the United Kingdom, 144,930,000 pounds; United States, 12,930,000 pounds; Australia, 11,890,000 pounds; South Africa, 10,410,000 pounds; New Zealand, 9,450,000 pounds; and Canada, 9,260,000 pounds.

Rubber.—Exports of crepe and sheet rubber during 1937 amounted to 156,000,000 pounds, valued at Rs.77,010,000. The United States is Ceylon's best market for this product, taking 73,630,000 pounds in 1937, while the United Kingdom with 26,050,000 pounds, and Germany with 11,630,000 pounds followed in importance. Canada does not appear in official publications of the Ceylon government as an important market for rubber exports. Actually, during the past year, Canada was Ceylon's fourth best market for this product, taking 9,084,449 pounds, valued at Rs.9,231,961, while it is to be assumed that considerable quantities of Ceylon rubber reach Canadian factories via United States ports.

Coconut Products.—The principal products of the coconut palm exported from Ceylon are oil, copra, and desiccated coconut. Coir fibre and yarn, coconut poonac (a residue from the manufacture of oil), and fresh nuts are of secondary interest. The total value of all such exports in 1937 was Rs.48,500,000, as compared with Rs.33,600,000 in 1936. Of the former amount, oil shipments made up Rs.20,000,000, copra Rs.12,500,000, desiccated coconut Rs.6,900,000, coir fibre and yarn Rs.5,000,000, poonac Rs.2,400,000, and fresh nuts Rs.600,000.

Canada was Ceylon's best market for oil during 1937, the value of Canadian purchases having been Rs.5,000,000. The United Kingdom and India were of next importance. Copra is shipped principally to India and in smaller quantities to Italy and Denmark. The principal buyers of desiccated coconut are the United Kingdom, taking approximately 60 per cent of the total, Holland, Germany, Belgium, and New Zealand. Coir products find their principal markets in the United Kingdom, Japan, Germany, and South Africa. Poonac exports are destined almost exclusively for Belgium, while a declining trade in fresh nuts is based principally on United Kingdom, Indian, and Egyptian demand.

Cacao.—Export trade in cacao showed a marked improvement during 1937 over that of several preceding years. The total value of exports stood at Rs.2,600,000 of which amount the Philippine Islands took Rs.1,000,000, the United Kingdom Rs.500,000, Canada Rs.300,000, and Mexico Rs.234,000.

Cinnamon.—Cinnamon exports are in the form of quills, chips, and oil, quills being of principal interest. Export values have steadily increased since 1932 to a total of Rs.2,513,000 in 1937, of which cinnamon quills represented Rs.1,977,000, chips Rs.78,000, bark oil Rs.34,000, and leaf oil Rs.424,000. Exports are consigned principally to Mexico, Germany, and the United Kingdom.

Plumbago.—Exports of this product of Ceylon's mineral industry, a type of graphite, have increased by 50 per cent over 1936 values and were recorded as Rs.2,300,000. The United States is Ceylon's best market for plumbago, followed by Japan, the United Kingdom, and Germany.

Citronella Oil.—The value of citronella oil exports during 1937 was Rs.1,300,000, almost three times the 1936 figure of Rs.513,000, largely due to sharp price increases. The bulk of the exports of this product are destined for the United States, the United Kingdom, Germany, and Australia.

Other Exports.—Other exports of minor importance are areca-nuts valued at Rs.844,000, raw tobacco Rs.710,000, cardamoms Rs.686,000, and papain (the dried fruit of the pawpaw tree) Rs.421,000. Areca-nuts and raw tobacco are sold principally to India; cardamoms enjoy a world-wide distribution, while papain is exported mainly to the United States and the United Kingdom.

EXPORT DISTRIBUTION BY COUNTRIES

Ceylon's export trade is primarily dependent on the United Kingdom market both on account of its actual consumptive power and for its value as a centre of distribution to many countries which do not purchase direct from local

exporters. The United Kingdom was Ceylon's outstanding customer in 1937, as for many years before, and was credited with taking Rs.144,300,000 or 46.25 per cent of all exports. The United States was next in importance and purchased Ceylon products to a value of Rs.50,700,000. If the value of tea shipments was eliminated from total exports, the United States would have supplanted the United Kingdom as Ceylon's leading market by Rs.13,500,000 in 1937.

India is usually Ceylon's third best customer but last year ceded this position to Canada with a total of Rs.16,261,711 as compared with India's Rs.14,719,867. Australia is another of Ceylon's important markets and purchased the Island's products to a value of Rs.12,719,601 during 1937. Other markets of importance were South Africa, Germany, New Zealand, France, and Italy.

EXPORT POLICY

In keeping with the times and in order to combat the trend towards self-sufficiency now evident in several formerly valuable markets, Ceylon has adopted means of stimulating export trade and ensuring a maintenance of prosperity in her principal industries. The adoption of restrictions on tea and rubber production and sales is one of the more important steps in this direction. With these is associated the creation of a tea publicity board, designed to encourage sales in all principal markets, and a coconut board, supported by the industry, and charged with the development of new uses for coconut products and the location of fresh markets for them. The custom of levying a tax on exports is the usual means of enabling such work.

The Ceylon Government has also adopted the policy of appointing trade commissioners in markets where there is scope for such activities and maintains offices in London and Bombay where information is supplied regarding Ceylon's exports and assistance given in developing sales outlets for the country's products. Ceylon is also interested in participation in trade fairs and exhibitions throughout the world.

IMPORT TRADE

Ceylon's import trade is for the most part concerned with foodstuffs and materials for use in the tea, rubber, and coconut industries. The total value of imports during 1937 was considerably higher than it had been since 1930, thus reflecting improvement in trade and general business conditions.

IMPORTS BY MAIN GROUPS

Import statistics are based on four main groups of commodities: food, drink, and tobacco; raw materials and articles mainly unmanufactured; articles wholly or mainly manufactured; and living animals not for food. The first of these is generally the largest, including imports of Burma rice which average approximately Rs.50,000,000 per year and large values of miscellaneous foodstuffs such as fish, sugar, chillies, and wheat flour which amount from Rs.30,000,000 to Rs.40,000,000 usually. With the exception of coal, mineral oils, rubber, and Burma timber, none of the items in the raw materials and semi-manufactured products group merit special mention. The importation of manufactured goods into Ceylon shows considerable variety. It includes large values for cotton piece goods, kerosene oil and motor spirit, iron and steel manufactures, motor vehicles, machinery, and the numerous other commodities in constant demand in the Colony which are not produced locally. During 1937, imports of these articles reached a higher value than those of food, drink, and tobacco but it is only in prosperous years that this position obtains. Imports of living animals are of small importance only.

IMPORTS BY COUNTRIES

Import trade into Ceylon is essentially concerned with Empire products as approximately two-thirds of all such purchases originate in the United Kingdom, India, and Burma and to a lesser extent in Australia, the Straits Settlements, and South Africa. The United Kingdom and India have each contributed approximately 20 per cent of Ceylon's total imports during recent years. Burma ranks in third place and is succeeded in order of importance by Japan, Sumatra, Iran, Java, Australia, the United States, Germany, and Siam. In view of the preferential tariff available to British products, it is to be expected that the present importance of several Empire countries as suppliers of Ceylon's import requirements will be maintained or increased.

IMPORTS BY COMMODITIES

Brief reference is made below to Ceylon's imports of individual commodities.

Rice.—Rice imports make up from 20 to 25 per cent of Ceylon's total annual purchases from abroad. In 1937 they were valued at Rs.50,700,000, but were lower than during the four preceding years. Most of this rice is purchased from Burma although small quantities also come from India and Siam.

Cotton Piece Goods.—There is a large market for cotton piece goods in Ceylon, imports during 1937 having amounted to Rs.17,900,000. The United Kingdom is the largest supplier of these imports, followed by India and Japan.

Fish.—Ceylon consumes large amounts of fish products. Total imports during 1937 represented a value of Rs.13,800,000. The bulk of this trade is in a dried and salted article and originates in India although substantial amounts are also obtained from the Maldiv Islands.

Crude Oil.—An important trade in crude oil from Iran averages approximately Rs.12,000,000 per year. Kerosene oil and motor spirit also bulk largely in import returns. Stocks are drawn principally from Sumatra and the combined value of all such imports during 1937 was Rs.10,900,000.

Coal.—The coal trade is concerned primarily with Indian coal but substantial quantities have also been received from South Africa. Total imports during 1937 were valued at Rs.7,600,000.

Sugar.—Sugar is among Ceylon's largest individual imports. It is purchased in refined form, almost exclusively from Java. Total imports during 1937 amounted to Rs.7,100,000.

Other Commodities.—Other imports of interest are fertilizers of various types valued at Rs.7,200,000; motor vehicles at Rs.6,000,000, machinery at Rs.4,800,000, tea chests at Rs.3,100,000, silk goods at Rs.3,100,000, and chillies at Rs.3,000,000.

ECONOMIC CONDITIONS IN THE NETHERLANDS, JANUARY TO JUNE

J. A. LANGLEY, CANADIAN TRADE COMMISSIONER

(One guilder or florin equals approximately Can.\$0.56 at current rate of exchange;
one kilo equals 2.2 pounds)

Rotterdam, August 2, 1938.—The effect of the unsettled world conditions have combined with the economic decline in the United States during the first six months of the present year to be increasingly felt in the Netherlands. There has as yet been no serious set-back and, apparently, no decrease in the purchasing power of the community, but the repercussions of world conditions have, however, been reflected in general production enterprises. Preliminary signs of a curtailment of business of some magnitude became more and more evident during the first half of 1938, although Netherlands industry still has considerable reserves to fall back upon.

FOREIGN TRADE

During the first half of 1937 imports reached a value of 746,000,000 florins and exports amounted to 532,000,000 florins, while during the same period of

1938 imports dropped to a value of 701,000,000 florins and exports to 499,000,000 florins, a decline in foreign trade (excluding gold and silver) of 78,000,000 florins. The decline was more marked in the value of imports than exports, while the tonnage statistics indicate a very small reduction in the volume of imports and about a 10 per cent drop in exports. The decline in exports and renewed keenness in foreign competition has resulted in a condition of hesitancy in industrial circles.

At the time of writing the results from the Netherlands clearing agreements with Germany, Chile, Turkey, Italy, Bulgaria, Roumania, and the one-sided clearing account with Spain, have not been all that could be desired, but at the same time cause very little anxiety. The clearing account with Germany is of the most importance and at the end of June arrears amounted to 16,000,000 florins, which occasioned a curtailment of exports to that country. From June 1, settlements between Austria and Holland came under the Netherlands-Germany agreements, but as regards payments, the arrears may become still greater. The one-sided clearing account with Spain showed blocked deposits in Holland amounting to roughly 2,200,000 florins, and arrears in the clearing accounts with Italy totalled 1,500,000 florins.

UNEMPLOYMENT

According to the return of the Central Bureau of Statistics, the number of registered unemployed at the end of June, 1938, was 315,260 persons, an increase of 4,644 compared with the corresponding figure for June, 1937. Unemployment is particularly heavy in the pottery, diamond cutting, building and wood-working trades, textile, clothing, and leather industries. With a view to creating permanent rather than temporary opportunities for employment, the Government proposed to make available during 1938 the sum of 200,000,000 florins to increase exports, stimulate normal industrial activity, and encourage the reduction of costs of production by lightening the burdens of industry, as well as to foster concerted action by producers. It is also proposed to allot the available work among the workers by means of part-time employment in such a way that the costs of production should not be increased, and lastly to undertake public works.

COMPANY REPORTS

Company reports made public for 1937 show satisfactory progress with substantial increases in profits when compared with the previous year, but dividends made available to stockholders have, generally speaking, fallen short of expectations in view of the anticipated future trend of business.

Rayon yarns exported during the first six months of 1937 amounted to 4,247,163 kilos, whereas in the first half of this year exports amounted to only 2,800,000 kilos. The home market is reported to be buying less than a year ago. On the other hand the tendency on the Amsterdam diamond market has been firm and the demand has shown an upward movement. Shipyards are well provided with work for several years and orders for new vessels have been secured at satisfactory prices. In the coal industry production is on the increase with exports showing a tendency to rise at improved prices.

BANKING

Gold continues to flow into the Netherlands and during the period January 3 to June 27 and bullion held by the Netherlands Bank increased by 106,145,000 florins. Advances by the bank on securities and goods increased by 119,004,000 florins. The Exchange Equalization Fund may possibly only sell to the Netherlands Bank a part of the foreign exchange and gold that it takes up, as it is assumed that a part is given as security for money borrowed. This

constant growth in the stocks of gold has not led to a corresponding rise in the bank-note circulation, but to an increase in the non-bearing interest credit balances on the books of the bank.

Funds on the Amsterdam money market remain in abundance and as suitable short term investments are scarce, quotations for private discount have not risen above $\frac{1}{8}$ of one per cent. While the foreign exchange market became somewhat agitated during the second quarter of 1938, intervention by the several exchange equalization funds had a steadying effect and outside of appreciable movements in French francs and Belgium belgas, the other rates of exchange showed but small animation on either side.

STOCK MARKETS

There was not much activity in new issues on the stock exchanges during the closing months of the first half of 1938 although there was brisk trading in existing listed shares, mostly of American origin. Public reaction to offers of units in joint holdings of both domestic and foreign bonds and shares, as a means of distributing the risk of investment, is not yet apparent.

The large number of conversion issues offered throughout 1937 and in the beginning of 1938 was followed during April, May and June by a stagnation in offers. This condition may be partially attributed to the agitation conducted by the so-called Investors Front which is opposed to any rapid fall in interest rates.

The trading on the stock exchanges has dwindled to an unprecedentedly small turnover with quotations moving in narrow channels.

MARKET FOR FEEDSTUFFS IN SWITZERLAND

W. G. STARK, ASSISTANT TRADE COMMISSIONER

(One Swiss franc equals approximately \$0.23 at the current rate of exchange, at which all conversions have been made. One kilo equals 2.2 pounds; one metric ton equals 2,205 pounds.)

Rotterdam, August 8, 1938.—With a total area of 15,976 square miles, Switzerland is one of the smallest countries in Europe. About 55.6 per cent of the country consists of arable land and pastures; 21.8 per cent of forests and 22.6 per cent of barren and unproductive mountain land. Despite the limited area of pastures, cattle breeding and dairying are of considerable importance to the economic structure of Switzerland. According to the last official census of 1931, there were in that year 1,684,000 head of cattle. Some 38 per cent of the fresh milk production—which is exceedingly high—is consumed in the country; 43 per cent serves as a raw material for the cheese, condensed milk, and chocolate industries, while part of the balance is exported.

By far the greater part of the required feedstuffs must be imported from abroad, since the domestic production of these is insufficient.

The following table shows the area sown to oats and barley, as well as the yield of these commodities in 1937 and 1938.

	1937		1938	
	Acres	M. Tons	Acres	M. Tons
Oats	27,379	24,000	28,095	24,570 ¹
Barley	10,749	8,420	10,848	8,570 ¹

¹ Estimated on July 1, 1938.

There are no figures available showing the yield of fodder, beets, hay, and straw, but it appears that the first named commodity is available in sufficient quantity. As far as straw is concerned, the total area sown to cereals in 1937 was 296,693 acres and in 1938, 300,548 acres. Hay and straw are mostly imported from nearby European countries.

CROP CONDITIONS

The latest information on crop conditions in Switzerland, published on July 15, 1938, report that recent heavy precipitation has had an unfavourable effect on oats and barley, both as regards quality and quantity. On the whole, however, a normal crop is expected.

The development of fodder beets has been somewhat retarded but nevertheless the position is good. The condition of pastures, which was only moderate on June 1, has improved considerably and in the early part of July the position was good. The quality of the hay crop is generally very good, but the yield will only be moderate.

IMPORTS BY COUNTRIES

The following tables show the imports into Switzerland of the principal types of feedstuffs during the calendar years 1936 and 1937, as well as in the first half of the current year. Straw is included under the heading "Straw, Chaff and Sedge."

Country of Origin	1936		1937		Jan. to June, 1938	
	M. Tons	1,000 Frs.	M. Tons	1,000 Frs.	M. Tons	1,000 Frs.
Oats—						
Total	178,186	19,589	202,522	30,260	126,708	18,809
Germany	3	....	42	6	....	....
France	75	11	23	3	9	1
Holland	259	38	10,356	1,667	1,819	291
Denmark	2,753	324	1,647	302	1,328	292
Sweden	225	31	643	141	268	65
Poland	37,224	4,067	3,222	470	....	....
Czechoslovakia	6,339	876	11,406	1,686	14,230	2,272
Hungary . . . . .	....	....	10	1	....	....
Roumania . . . . .	....	....	387	61	....	....
Soviet Russia	34,537	3,569	16	2	....	....
Canada	2,482	312	1,554	321	1,160	222
Argentina	84,457	9,228	153,228	22,575	103,165	14,955
Chile	9,830	1,133	19,682	2,977	4,329	647
Uruguay . . . . .	....	....	61	9	....	....
United States . . . . .	....	....	244	40	398	62
Barley—						
Total	91,534	10,958	155,837	26,537	65,321	11,277
Germany	3	1	....	....	....	....
France	17	3	25	4	....	....
Denmark	500	106	2,051	483	40	6
Poland	4,056	428	9,112	1,752	24,459	4,138
Czechoslovakia	8,809	1,343	1,117	291	5,501	1,167
Hungary . . . . .	....	....	2,472	433	1,380	230
Yugoslavia	304	42	1,549	267	....	....
Bulgaria	1,184	140	785	130	....	....
Roumania	64,312	7,309	42,641	7,189	893	145
Soviet Russia	2,460	233	23,165	3,957	14,131	2,378
Turkey	18	2	....	....	1,014	172
Canada . . . . .	....	....	7,928	1,372	1,325	235
Argentina	9,186	1,240	61,031	9,976	14,572	2,449
Chile . . . . .	....	....	200	48	250	54
United States	304	38	3,759	634	1,754	302
Australia	379	74	....	....	....	....
Oil feeding cakes and meal—						
Total	11,791	1,469	24,200	3,859	4,007	419
Germany	10	1	....	....	....	....
France	4,868	682	11,153	1,766	200	30
Italy	967	148	5,460	843	222	36
Belgium	3	1	17	3	....	....
Holland	2,150	88	1,286	71	2,614	169
Great Britain	10	2	....	....	....	....
Denmark	626	87	945	174	355	65
Sweden	248	31	85	17	....	....
Hungary	101	12	....	....	....	....
Yugoslavia	483	75	197	38	....	....
Roumania . . . . .	....	....	410	69	....	....
Brazil . . . . .	....	....	....	....	5	1
United States	2,226	332	4,497	847	610	118
Argentina	99	11	150	32	....	....

IMPORTS OF FEEDSTUFFS INTO SWITZERLAND—*Con.*

Country of Origin	1936		1937		Jan. to June, 1938	
	M. Tons	1,000 Frs.	M. Tons	1,000 Frs.	M. Tons	1,000 Frs.
Denatured feeding meal—						
Total	4,782	632	23,478	4,414	2,848	554
Austria	.....	.....	61	14	.....	.....
France	181	21	8,794	1,731	36	8
Italy	4,424	581	3,933	691	76	16
Holland	.....	.....	28	6	.....	.....
Denmark	.....	.....	518	105	450	85
Poland	147	25	3,233	551	59	12
Czechoslovakia	30	6	321	63	.....	.....
Japan	.....	.....	.....	.....	17	3
Hungary	.....	.....	3,615	673	89	18
Roumania	.....	.....	1,819	350	828	152
Brazil	.....	.....	99	21	99	21
Argentina	.....	.....	1,055	209	1,093	221
Turkey	.....	.....	.....	.....	99	19
Hay—						
Total	16,063	1,045	8,567	516	3,274	239
Germany	26	2	24	2	.....	.....
Austria	633	49	391	29	2	.....
France	14,895	954	7,311	415	3,271	238
Italy	283	25	563	46	2	.....
Hungary	124	8	277	24	.....	.....
Roumania	102	7	.....	.....	.....	.....
Straw, chaff, sedge—						
Total	99,775	3,608	96,688	3,735	43,171	1,758
Germany	102	5	48	3	9	2
Austria	1,459	59	1,285	53	2,456	119
France	55,501	1,941	13,423	567	660	29
Italy	11,197	443	57,792	2,117	30,639	1,144
Belgium	8	.....	.....	.....	.....	.....
Holland	1,309	53	173	8	15	1
Sweden	.....	.....	.....	.....	24	2
Great Britain	190	11	.....	.....	.....	.....
Poland	.....	.....	2	.....	.....	.....
Roumania	.....	.....	.....	.....	10	1
Czechoslovakia	23	3	15	3	.....	.....
Hungary	29,987	1,092	23,952	983	9,357	461

CURRENT MARKET CONDITIONS

In the early part of July the new hay crop was being offered at average prices ranging from Frs.7·30 to Frs.9·65 per 100 kilos (\$1.68 to \$2.22 per 220 pounds), free meadow, and from Frs.7·77 to Frs.10·40 per 100 kilos (\$1.79 to \$2.39 per 220 pounds) delivered free warehouse of the purchaser.

At the moment the Swiss straw market is very quiet. The old crop has been entirely cleared. New crop Italian wheat straw is now being offered at prices varying from Frs.5·60 to Frs.5·70 (\$1.29 to \$1.31) while the Hungarian product is quoted at from Frs.5·80 to Frs.5·85 (\$1.33 to \$1.35). These quotations are per 100 kilos (220 pounds) for delivery Swiss border, duty-paid. Very little business is being done, however, pending further price developments.

For foreign oats and barley the usual standard grades apply.

TRADING PRACTICES

Feeding stuffs are mostly sold direct to the Swiss importer. Payment is usually made on the basis of cash against documents on arrival of the merchandise at the Swiss frontier, or in the case of American supplies, at Le Havre, France, or Antwerp, Belgium. Canadian offers should be c.i.f. these ports, since it is practically impossible to secure exact eastbound ocean freight rates in Switzerland.

CUSTOMS DUTIES AND IMPORT REGULATIONS

Duties.—Hay and straw and oil feeding cakes and meal, are dutiable at Frs.0·20 per 100 kilos (approximately \$0.04½ per 220 pounds) on entry into

Switzerland. Oats and barley are subject to an import duty of Frs.0·60 per 100 kilos (approximately \$0.14 per 220 pounds), and denatured feeding meal Frs.0·30 per 100 kilos (approximately \$0.07 per 220 pounds).

Import Regulations.—For the importation of all kinds of feeding stuffs into Switzerland, a permit must be secured by the importer from the Société Coopérative Suisse des Céréales et Matières Fourragères at Berne. Prior to January 1, 1938, individual quotas were only allotted to firms entitled to such quotas by virtue of their proved imports in past years. Now, however, allotments are also granted arbitrarily to bona fide dealers hitherto not entitled to a basic quota.

Documentation.—In making shipments to Switzerland no special forms, consular invoices or visés are required. However, all goods for the entry of which a permit is required, must be accompanied by an official certificate of origin. When the merchandise is cleared through the Swiss customs the importer must fill in declaration forms in which particulars are given showing the kind of goods, the country of origin, net and gross weights, marks and number of packages, and the value of the merchandise in Swiss francs. For this reason complete covering information should be given on the commercial invoice which is sent to the buyer.

Currency Restrictions.—There is no transfer moratorium in Switzerland as far as imports from Canada are concerned. Payment is made under normal conditions; Canadian banks have local correspondents.

POSSIBLE MARKET FOR CANADIAN PRODUCE

There have never been any imports of hay and straw into Switzerland from Canada. The high ocean freight rate makes any business in these commodities practically impossible. Some inquiries for Canadian hay and straw have recently been received by this office from Swiss importers. These latter, however, are not willing to pay more than \$14 per ton of 2,240 pounds c.i.f. Le Havre for good quality hay, a price which is unacceptable to Canadian shippers.

For many years there have been regular movements of oats from the Dominion to Switzerland, principally for army requirements. Provided price and quality are competitive, this business will probably continue in the future.

During the years 1934, 1935 and 1936 there were no imports of Canadian barley, but last year shipments of this product were resumed.

GUATEMALAN NATIONAL MORTGAGE BANK WAREHOUSES

R. T. YOUNG, CANADIAN TRADE COMMISSIONER

Mexico City, July 27, 1938.—An entirely new venture in Guatemalan commercial, financial, and banking circles has been the establishment with Government approval and sanction, under the auspices of, and financed by, the Guatemalan National Mortgage Bank, a State organization, of general warrant warehouses.

TRANSACTIONS OF THE WAREHOUSES

The transactions, by virtue of its charter, which the new institution may enter into are given under the following seven headings:—

1. To receive merchandise on deposit, making a suitable charge for its custody.
2. To receive merchandise on consignment, for delivery to consignees either wholly or partially, against payment of value.
3. To sell merchandise on commission.
4. To issue loans against deposit warrants.

5. To lease part of its premises for transactions of a nature similar to the purposes for which it was founded, or that it may serve as private storage for merchandise.

6. To enter into contracts for transportation by land or sea.

7. To handle all such operations as may be closely related to the purposes for which it was founded, always providing that such operations be duly approved by the Board of Directors of the National Mortgage Bank.

The field which may be covered is therefore very broad and one that should present many opportunities to increase turnover in merchandise, while at the same time add to the activities of the parent body.

Goods for storage are classified under three main groups as follows: goods of national manufacture; imported goods on which import duties have been paid; and imported goods on which import duties are as yet unpaid.

Storage of imported merchandise on which the National Mortgage Bank shall have paid import duties and other charges may in no case exceed six months. Where this term has expired and the owner or consignee has failed to reimburse the warehouses for duties and other charges incurred, the goods may be sold at auction. Exception to this rule may be had by prior arrangement as to maximum terms for storage. An important feature of the storage contract is that for every lot of merchandise received the warehouses take out the necessary insurances against fire.

METHOD OF OPERATION

The method of operation involves the issuance of deposit certificates with attached warrants. The certificate represents the merchandise or goods deposited and serves as instrument of conveyance, transferring to the acquirer ownership of the respective goods, but the rights of the acquirer remain subject to those of the holder of the warrant as also to the payment of duties and storage charges, if incurred. The warrant represents the contract between the original owner of the merchandise and the lender, with the goods deposited as guarantee. The warrant therefore of itself carries the rights and privileges of a pledge loan, without prejudice, however, to any and all sums due to the warehouses or to the National Exchequer.

OBLIGATIONS AND LEGALITY OF WAREHOUSE INSTRUMENTS

Merchandise deposited in the warehouses and represented by deposit certificates is subject to the following obligations in order of preference: payment of fiscal and municipal dues incurred thereon; insurance premiums and expenses and charges due to the warehouse in accordance with the respective tariffs; the loan duly registered as guaranteed by the warrant.

The legal status of the deposit certificates and warrants gives them the nature of negotiable mercantile instruments to order transferable by endorsement, whether negotiated separately or together. As a protection to holders of this paper, registers are maintained at the warehouses wherein are registered endorsements of both certificates and warrants, so that the warehouse officials recognize as owners of the merchandise or effects on deposit only such acquirer of the certificate as may appear inscribed on the register of the deposit certificates, and similarly recognize as the owner of the pledge loan guaranteed by the merchandise or other effects deposited only such person as may appear inscribed in the corresponding register as acquirer of the warrant.

This new class of commercial paper will undoubtedly play an important part in business transactions and specific guarantees, provided by the law, should render them readily negotiable. In cases where it is desired to withdraw merchandise, the holder of the deposit warrant may pay to the warehouses the

total amount of the loan guaranteed by the warrant, plus interest due and other charges incurred by the institution, together with duties payable, but in no case or in no circumstances are goods or merchandise on deposit subject to replevin, and the holders of the deposit certificate and warrant, or both, are exempt of the responsibility with regard to claims against the depositor or private endorsers in connection with the merchandise or effects covered, but such claimants retain their rights of proceeding legally against whoever may have deprived them of possession or control over the goods in question. Further guarantees are offered by the law to protect all purchases concerned.

PROCEDURE OF AUCTIONING MERCHANDISE

The procedure to be followed in the auctioning of the merchandise and the causes under which it may be auctioned are as follows: (a) when sums due to the State or to the warehouse remain unpaid at due date; (b) when the experts in the employ of the merchandise may declare that the merchandise or other effects on deposit show signs of decay, alteration or leakage such as to reduce or destroy their value, or in such cases as the intrinsic value of the goods shall have fallen to the extent of 25 per cent; (c) when the loan guaranteed by the warrant shall remain unpaid at due date; (d) when owing to the formation of a board of creditors, either voluntary or forced, it becomes necessary to settle the destination of the goods on deposit; (e) when merchandise on consignment be not withdrawn by purchasers within the stipulated period; (f) when there be special agreement between the owner of the merchandise and the General Warehouses, always provided that there be no charges pending against such merchandise.

TARIFF CHANGES AND CUSTOMS REGULATIONS

Ireland

TARIFF AMENDMENTS

An Order of the Executive Council, effective July 13, 1938, admits duty free into Ireland, component parts of household cooking apparatus which are not assemblies of two or more articles. The former duty was 25 per cent ad valorem preferential rate, applicable to Canada, and 37½ per cent applicable to all countries outside the British Empire.

Effective July 27, a duty of 3 pence per pound was imposed on unsweetened dried or powdered milk from all countries except that provision is made for free entry, under licence, of dried or powdered milk of Canadian or United Kingdom origin. Formerly dried milk in containers up to two pounds was free of duty, and in larger containers subject to a rate of 2 shillings per pound.

DUTY CHARGES ON KNITTED ARTIFICIAL SILK FABRIC

Mr. George Shera, of the office of the Canadian Government Trade Commissioner, Dublin, advises that the Executive Council of Ireland has issued an order, under the Emergency Imposition of Duties Act, 1932, imposing as from August 3, 1938, a Customs duty on imported knitted fabric in the piece, containing not less than 40 per cent by weight of artificial silk, of 60 per cent or 4½d. per square yard, whichever is the greater, full rate (40 per cent or 3d. per square yard, whichever is the greater, preferential rate). Provision is made in this order for the granting of import licences to any country, but, when such a licence is granted to the United Kingdom and Canada, the goods are allowed in duty free, whereas, if a licence is granted to any other country, there is a duty of 10 per cent ad valorem imposed on the goods in question.

CONTROL OF IMPORTS OF PRESERVED FRUITS

An Order of the Executive Council of Ireland prohibits since May 19, 1938, the importation except under licence of the following fruits preserved in water, without the addition of sugar or other sweetening matter: apples, pears, plums, damsons, prunes, greengages, cherries, strawberries, raspberries, loganberries, currants, and gooseberries. This Order also prohibits except under licence the importation of juices or pulp wholly or partly derived from these fruits.

United States

MARKING OF LUMBER

The attention of exporters is drawn to the revised marking regulations published in *Commercial Intelligence Journal* No. 1799 (July 23, 1938), pages 143-4. Heretofore, lumber, telegraph poles, etc., entering the United States have not required a mark of origin. The usual marking regulations, however, are to apply after September 1, 1938, to sawn lumber and timbers, telephone, trolley, electric light, and telegraph poles of wood, and bundles of shingles.

Mexico

TAX ON EXPORTS

Mr. R. T. Young, Canadian Trade Commissioner in Mexico City, writes that a Mexican decree, published August 9, 1938, establishes a tax of 12 per cent on the appraised value of exports from Mexico whenever the prices of such exports in Mexican currency are higher than the average prices in effect in February of this year. The classification of the products affected by this decree is to be made by a committee established for that purpose. The committee will also be charged with the appraisal of the goods on which the tax is levied.

Half of the income derived from the collection of the foregoing tax is to be used to grant a subsidy of 20 per cent on the value of Mexican currency of such imports of products necessary for the economy of the country as are made with the approval of the committee.

BOOKS, ETC., EXEMPTED FROM DUTY

Mr. R. T. Young, Canadian Trade Commissioner in Mexico City, writes that a Mexican decree published June 30, 1938, exempts imported books, music, phonograph records, and paintings and statuary, originals or reproductions, from payment of import duties and sales taxes in Mexico.

TENDERS INVITED

New Zealand

Copies of specifications have been received from Mr. W. F. Bull, Canadian Trade Commissioner at Auckland, New Zealand, for equipment required by the Public Works Department, Wellington. These specifications are open for inspection at the Department of Trade and Commerce, Ottawa. Tenders should be addressed to the Secretary, Public Works Supplies and Tenders Committee, Wellington, in accordance with these specifications.

Particulars are as follows:—

Public Works Department.—Section 462, Mangahao Scheme, 3,320 strings of extra-high tension transmission line suspension and strain insulators, to specification, drawing, etc. (Tenders close November 8, 1938.)

FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING AUG. 22, 1938

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, August 22, 1938, and for the week ending Monday, August 15, 1938, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending August 15	Nominal Quotations in Montreal Week ending August 22	Official Bank Rate
Austria	Schilling	.1407	.....	.....	—
Belgium	Belga	.1001	\$.1689	\$.1691	3
Bulgaria	Lev	.0072	.0125	.0125	6
Czechoslovakia	Koruna	.0296	.0347	.0346	3
Denmark	Krone	.2680	.2184	.2185	4
Finland	Markka	.0252	.0216	.0216	4
France	Franc	.0392	.0273	.0274	2½
Germany	Reichsmark	.2382	.4024	.4022	4
Great Britain	Pound	4.8666	4.8925	4.8965	2
Greece	Drachma	.0130	.0090	.0089	6
Holland	Guilder	.4020	.5473	.5489	2
Hungary	Pengo	.1749	.2975	.2985	4
		Unofficial	.1975	.1974	—
Italy	Lira	.0526	.0528	.0527	4½
Yugoslavia	Dinar	.0176	.0232	.0233	5
Norway	Krone	.2680	.2456	.2460	1½
Poland	Zloty	.1122	.1890	.1891	4½
Portugal	Escudo	.0442	.0444	.0444	4-4½
Roumania	Leu	.0060	.0073	.0073	3½
Spain	Peseta	.1930	.0578	.0577	5
Sweden	Krona	.2680	.2522	.2525	2½
Switzerland	Franc	.1930	.2299	.2299	1½
United States	Dollar	1.0000	1.0043	1.0034	1
Mexico	Peso	.4985	.1978	.1992	3
Cuba	Peso	1.0000	1.0037	1.0027	—
Guadeloupe	Franc	.0392	.0273	.0274	—
Jamaica	Pound	4.8666	4.9025	4.9065	—
Martinique	Franc	.0392	.0273	.0274	—
Other British West Indies	Dollar	1.0138	1.0193	1.0200	—
Argentina	Peso (Paper)	.4245	.3262	.3265	3½
		Unofficial	.2576	.2574	—
Brazil	Milreis (Paper)	.1193	.0586	.0584	—
British Guiana	Dollar	1.0138	1.0193	1.0200	—
Chile	Peso	.1217	.0519	.0520	3-4½
		Unofficial	.0402	.0401	—
Colombia	Peso	.9733	.5691	.5694	4
Peru	Sol	.2800	.2210	.2157	6
Venezuela	Bolivar	.1930	.3114	.3060	—
Uruguay	Peso	1.0342	.6439	.6454	—
South Africa	Pound	4.8666	4.8863	4.8904	3½
Egypt	Pound (100 Piastres)	4.9431	5.0118	5.0200	—
China (Shanghai)	Dollar	.....	.1615	.1703	—
Hongkong	Dollar	.....	.3055	.3056	—
India	Rupee	.3650	.3648	.3650	3
Japan	Yen	.4985	.2850	.2854	3.29
Java	Guilder	.4020	.5474	.5487	—
Siam	Baht (Tical)	.4424	.4480	.4488	—
Straits Settlements	Dollar	.5678	.5700	.5703	—
Australia	Pound	4.8666	3.9140	3.9175	3
New Zealand	Pound	4.8666	3.9450	3.9487	2

The Dominion Bureau of Statistics has supplied the following note:—

Advances on August 16 and 17 brought the British pound up to \$4.9006, the highest level since August 10. The decline was then resumed and by the 19th sterling had dropped to \$4.8956. Narrow fluctuation during the next two days brought quotations to \$4.8965 on the 22nd. Pressure on the French franc was reflected in the widening of future rates and discounts on ninety-day futures held around 10 points on the 16th and 17th. Following the official announcement that there would be no further devaluation, the franc strengthened and by the 19th discounts had narrowed to 7½. Premiums on United States funds rose from ½ p.c. on the 16th to ¾ on the 18th and then moved lower to close at 1½ of 1 p.c.

TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

Secretary, Board of Trade—

Saint John, N.B.
Halifax, N.S.
Quebec, P.Q.
Montreal, P.Q.
Toronto, Ont.
Chatham, Ont.

Brantford, Ont.
Kitchener, Ont.
Stratford, Ont.
Woodstock, Ont.
St. Mary's, Ont.
Portage la Prairie, Man.

St. Boniface, Man.
Winnipeg, Man.
Vancouver, B.C.
New Westminster, B.C.

Secretary, Chamber of Commerce—

Sherbrooke, P.Q.
Kingston, Ont.
Oshawa, Ont.
Belleville, Ont.

Peterborough, Ont.
London, Ont.
St. Catharines, Ont.
Hamilton, Ont.

Victoria, B.C.
Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

Secretary, Canadian Manufacturers Association—

Toronto, Ont.
Montreal, P.Q.

Winnipeg, Man.
Edmonton, Alta.

Vancouver, B.C.
Victoria, B.C.

Director, Trade Extension, Victoria, B.C.

Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.

Commodity	No.	Location of Inquirer	Purchase or Agency
Miscellaneous—			
Frozen hog pancreas glands.	462	Rostock, Germany.	Purchase or Agency.
Clocks (movements).	463	Mexico, D.F. Mexico.	Agency.
Boat gear (ash oars, spars, blocks, etc.)	464	Perth, Australia.	Agency.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Montreal

To Liverpool.—Duchess of Bedford Sept. 4 and 30; Duchess of Richmond, Sept. 10; Duchess of York, Sept. 16; Duchess of Atholl, Sept. 23—all Canadian Pacific; Andania, Sept. 9; Antonia, Sept. 23—both Cunard-White Star Line; Vigor, Sept. 17; Taborfjell, Oct. 8—both Fjell Line.

To London.—Beaverburn, Sept. 2; Beaverdale, Sept. 9; Beaverford, Sept. 16; Beaverbrae, Sept. 23; Beaverhill, Sept. 30—all Canadian Pacific; Ausonia, Sept. 2 and 30; Alaunia, Sept. 9; Aurania, Sept. 16—all Cunard-White Star Line; Ravnefjell, Sept. 7; Rutenfjell, Sept. 21; Ornefjell, Oct. 5—all Fjell Line.

To Manchester.—Manchester City, Sept. 1; Manchester Citizen, Sept. 8; Manchester Regiment, Sept. 15; Manchester Division, Sept. 22; Manchester Port, Sept. 29; Manchester Commerce, Oct. 6—all Manchester Line; Vigor, Sept. 17; Taborfjell, Oct. 8—both Fjell Line.

To Southampton.—Montrose, Canadian Pacific, Sept. 8 and Oct. 1.

To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.—Boston City, Sept. 9; Bristol City, Sept. 28—both Bristol City and Dominion Lines; Norwegian, Aug. 31; Dorelian, Sept. 17; Dakotian, Oct. 7—all Cunard-Donaldson and Dominion Lines.

To Glasgow.—Letitia, Sept. 4; Sulairia, Sept. 9; Athenia, Sept. 16; Delilian, Sept. 23—all Donaldson-Atlantic Line.

To Newcastle and Leith.—Cairnvalona, Aug. 31; Cairnglen, Sept. 7; Cairnesk (also calls at Dundee), Sept. 21; Cairnmona, Sept. 28; Cairncross, Oct. 5—all Cairn-Thomson Line.

To Aberdeen and Hull.—Consuelo, Sept. 2; Bassano, Sept. 23—both Ellerman's Wilson Line.

To Dublin and Belfast.—Torr Head, Sept. 13; Kenbane Head, Sept. 24—both Head Line (cargo accepted for Cork and Londonderry).

To Hamburg and Bremen.—Beaverburn, Sept. 2; Beaverhill, Sept. 30—both Canadian Pacific (do not call at Bremen); Frankenwald, Hamburg-American Line, Sept. 24.

To Copenhagen, Gothenburg, Stockholm and Helsingfors.—Brahholm, Swedish-America-Mexico Line, Sept. 29.

To Norwegian Ports.—Vigor, Sept. 17; Taborfjell, Oct. 8—both Fjell Line; a steamer, Norwegian American Line, first half of September.

To Antwerp and Havre.—Montrose, Sept. 8 and Oct. 1; Beaverdale, Sept. 9; Beaverford, Sept. 16; Beaverbrae, Sept. 23; Beaverburn, Oct. 7—all Canadian Pacific (do not call at Havre); August, Aug. 28; Hada County, Sept. 18; Brant County, Sept. 30—all County Line; Ravnefjell, Sept. 7; Rutenfjell, Sept. 21; Ornefjell, Oct. 5—all Fjell Line (do not call at Havre).

To Rotterdam.—Flint 2, Sept. 2; Lista, Sept. 23; Grey County, Oct. 6—all County Line; Ravnefjell, Sept. 7; Rutenfjell, Sept. 21; Ornefjell, Oct. 5—all Fjell Line.

To Marseilles, Genoa, Leghorn, Naples, Messina, Palermo, Gibraltar and Lisbon.—Capo Olmo, Sept. 12; Capo Noli, Oct. 1—both Capo Line (will also call at Cadiz and/or Seville and/or Casablanca if sufficient cargo offers).

St. John's, Nfld.—Anna, Sept. 1; Bencas, Sept. 19—both Shaw SS. Co. Ltd. (also call at Harbour Grace, Bay Roberts, Carbonear and Port Union; will touch at Newfoundland south coast ports as cargo offerings warrant); Belle Isle, Newfoundland-Canada SS. Ltd., Sept. 9 and 23 (also calls at St. Pierre-Miquelon).

To Cornerbrook, Nfld.—New Northland, Aug. 29, Sept. 12 and 26; Gaspesia, Sept. 7 and 21—both Clarke SS. Co.

To Puerto Rico, Barbados, Trinidad and Demerara.—Cornwallis, Sept. 1; Chomedy, Sept. 15; Colborne, Sept. 29—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To Hamilton, Nassau, Kingston and Belize.—Lady Rodney, Aug. 31; Cavelier (calls at Kingston only), Sept. 9; Lady Somers, Sept. 14; Cathcart, Sept. 23—all Canadian National.

To Bermuda, St. Kitts, Antigua, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Ary Lensen, Sept. 9; Lundby, Sept. 23; Maud, Oct. 7—all Ocean Dominion SS. Corp. (call at Guadeloupe and Martinique if sufficient cargo offered).

To Santos and Buenos Aires.—Tercero, International Freightng Corp., Sept. 1 (will also call at Rio de Janeiro if sufficient inducement warrants).

To Brisbane, Sydney, Melbourne and Adelaide.—Kaikoura, Sept. 3; Port Halifax, Sept. 30—both Montreal Australia New Zealand Line (will also call at Geelong).

To Auckland, Wellington, Lyttleton and Dunedin.—City of Glasgow, Aug. 30; Kaimata, Sept. 21—both Montreal Australia New Zealand Line.

To Cape Town, Port Elizabeth, East London and Durban.—Egori, Sept. 15; Calumet (also calls at Freetown, Lourenco Marques and Beira), Sept. 27—both Elder Dempster Lines Ltd.

To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Madras, Rangoon, Calcutta and Singapore.—City of Worcester, Sept. 12; City of Bath, Sept. 30—both Canada-India Service.

To Straits Settlements and Netherlands East Indies Ports.—Palembang, Blue Funnel Line, Sept. 24.

From Quebec

To Southampton.—Empress of Australia, Sept. 3 and 17; Empress of Britain, Sept. 10 and 24, Oct. 8—both Canadian Pacific.

From Halifax

To Liverpool.—Nova Scotia, Sept. 4; Newfoundland, Sept. 20—both Furness Line; Manchester Brigade, Sept. 10; Manchester Exporter, Sept. 26—both Manchester Line.

To London.—Dinteldijk, Sept. 15; Beemsterdijk, Sept. 22—both Holland-America Line.

To Manchester.—Manchester Regiment, Sept. 18; Manchester Port, Oct. 2—both Manchester Line.

To Newcastle.—Cairnglen, Sept. 10; Cairnesk, Sept. 24—both Cairn-Thomson Line.

To Cardiff and Bristol.—Boston City, Sept. 12; Bristol City, Oct. 1—both Bristol City and Dominion Lines.

To St. John's, Nfld.—Fort Townshend, Aug. 29 and Sept. 12; Fort Amherst, Sept. 5 and 19—both Furness-Red Cross Line (also call at St. Pierre); Portia, Newfoundland Rys. and SS. Co., Aug. 31; Nova Scotia, Sept. 4; Newfoundland, Sept. 20—both Furness Line; Magnhild (also calls at St. Pierre and Newfoundland outports), Newfoundland-Canada SS. Ltd., Sept. 5 and 19, Oct. 3.

To Kingston, Jamaica.—Catheart, Aug. 29 and Sept. 26; Cavelier, Sept. 12—both Canadian National.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Nelson, Sept. 8; Lady Hawkins, Sept. 22; Lady Drake, Oct. 6—all Canadian National; Heroy, Aug. 31; Ary Lensen, Sept. 14; Lundby, Sept. 28—all Ocean Dominion S.S. Corp. (call at Guadeloupe and Martinique if sufficient cargo offered but not at Nevis or Montserrat).

To Puerto Rico, Barbados, Trinidad and Demerara.—Cornwallis, Sept. 5; Chomedy, Sept. 19; Colborne, Oct. 3—all Canadian National (call at Guadeloupe and Martinique, if sufficient cargo offered).

To Santiago (Cuba) and Kingston (Jamaica).—Lutz, Sept. 7; Kirsten B., Sept. 21—both Pickford & Black Ltd. (also call at Jamaican outports as cargo offers).

To Far East Ports.—Silverteak, Silver Line, Sept. 3; Malayan Prince, Furness-Prince Line, Sept. 21.

From Saint John

To Liverpool and Manchester.—Manchester Brigade, Manchester Line, Sept. 7.

To London, Newcastle, Aberdeen and Hull.—Gitano, Ellerman's Wilson Line, Sept. 9.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Nelson, Aug. 31; Lady Hawkins, Sept. 14; Lady Drake, Sept. 28—all Canadian National.

To Kingston and Jamaican Outports.—Crawford Ellis, United Fruit Co., Sept. 9 and 23 (cargo accepted for Caribbean, Central and South American ports with transshipment at Kingston).

From Vancouver

To Yokohama, Kobe and Osaka.—Heian Maru, Sept. 10; Hikawa Maru, Oct. 1; Hie Maru, Oct. 15—all Nippon Yusen Kaisha.

To Yokohama, Kobe, Shanghai, Hongkong and Manila.—Empress of Asia (calls Nagasaki), Sept. 3; Empress of Canada (calls Honolulu), Sept. 17; Empress of Russia (calls Nagasaki), Oct. 1; Empress of Japan (calls Honolulu), Oct. 14—all Canadian Pacific; Talthybius, Sept. 3; Tyndareus, Oct. 4—both Blue Funnel Line (call at Miike but not at Manila).

To Tsingtao and Shanghai.—Gemstone (does not call at Shanghai), about Sept. 30; Ruperra, about Sept. 30—both North Pacific Shipping Co. Ltd.

To Honolulu, Suva, Auckland and Sydney.—Niagara, Aug. 31; Aorangi, Sept. 28—both Canadian-Australasian Line.

To Manila, Iloilo, Cebu, Soerabaya, Samarang, Batavia, Colombo and Bombay.—Djambi (calls at Saigon, Singapore and Persian Gulf ports, also at Port Swettenham and Belawan Deli if cargo offers), Sept. 1; Tosari (calls at Saigon, Singapore and Persian Gulf ports, also at Port Swettenham and Belawan Deli if cargo offers), Oct. 1—both Silver-Java Pacific Line.

To Papeete, Auckland, Wellington, Dunedin, Melbourne and Sydney.—Tolten, Sept. 16; Speybank (also calls at Lyttelton), Sept. 25—both Canadian-Australasian Line.

To Brisbane, Sydney, Melbourne and Adelaide.—Yngaren, Sept. 10; Tolken, Oct. 10—both Empire Shipping Co. Ltd.

To London, Plymouth, Hull and Swedish Ports.—San Francisco, Sept. 3; Axel Johnson, Sept. 23; Margaret Johnson (does not call at Hull), Sept. 30—all Johnson Line.

To London, Liverpool and Rotterdam.—Drecht dyk, Sept. 3; Lochavon (calls Glasgow), Sept. 17; Lochkatrine, Oct. 1—all North Pacific Coast Line.

To Antwerp, Hamburg and Bremen.—Seattle, Sept. 4; Tacoma, Sept. 15; Portland, Sept. 24—all Hamburg-American Line; Este, Sept. 7; Schwaben, Oct. 3—both North German Lloyd Line.

To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.—San Pedro, Sept. 3; San Diego, Sept. 24; San Jose, Oct. 7—all Empire Shipping Co. Ltd.

To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.—Leme, Sept. 14; Fella, Oct. 8—both Empire Shipping Co. Ltd.

To Port of Spain (Trinidad) and Bridgetown (Barbados).—A steamer, Canadian Transport Co., September.

To Cape Town, Port Elizabeth, East London, Durban and Lourenco Marques.—Manoeran, Sept. 6; Silverwillow, Oct. 7—both Silver-Java Pacific Line (call at Beira and Calcutta, will also call at Colombo and Madras if sufficient cargo offers); Imperial Valley, North Pacific Shipping Co. Ltd., about Sept. 3 (calls at Beira but not at East London).

To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.—Hovanger, Sept. 26; Leikanger, Oct. 27—both Empire Shipping Co. Ltd. (will call at West Coast ports if sufficient cargo offered).

Note.—Firms who desire information concerning ocean and mail services may have their names placed on the mailing list of the Post Office Weekly Bulletin by applying to the Post Office Department.

COMMERCIAL INTELLIGENCE SERVICE

L. D. WILGRESS, *Director*

Argentina

J. A. STRONG, B. Mitre 430, Buenos Aires (1). (Territory includes Uruguay.) *Cable address, Canadian.*

Australia

Sydney: L. M. COSGRAVE. Address for letters—P.O. Box No. 3952V. Office—City Mutual Life Building, Hunter and Bligh streets. (Territory includes Federal District of Canberra, New South Wales, Queensland, Northern Territory and Dependencies.) *Cable address, Canadian.*

Melbourne: FREDERICK PALMER. Address for letters—Box 196C, G.P.O. Office—Safe Deposit Office Building. (Territory includes States of Victoria, South Australia, Western Australia, and Tasmania.) *Cable address, Canadian.*

Belgium

YVES LAMONTAGNE, Shell Building, 60 Ravenstein Street, Brussels. *Cable address, Canadian.*

Brazil

L. S. GLASS. Address for letters—Caixa Postal 2164, Rio de Janeiro. Office—Ed. Da. "A. Noite," Sala 802, Praca Maua. *Cable address, Canadian.*

British India

PAUL SYKES. Address for letters—P.O. Box 2003, Calcutta. Office—23 Esplanade Mansions, Government Place East, Calcutta. (Territory includes Burma and Ceylon.) *Cable address, Canadian.*

British Malaya

B. C. BUTLER, Union Building, Singapore, Straits Settlements. (Territory includes the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India.) *Cable address, Canadian.*

British West Indies

Trinidad: M. B. PALMER. Address for letters—P.O. Box 125, Port of Spain. Office—Barclay's Bank Building. (Territory includes Barbados, Windward and Leeward Islands, and British Guiana.) *Cable address, Canadian.*

Jamaica: F. W. FRASER, P.O. Box 225, Kingston. Office—Canadian Bank of Commerce Chambers. (Territory includes Haiti, the Bahamas, and British Honduras.) *Cable address, Canadian.*

China

H. A. SCOTT. Address for letters—P.O. Box 264, Shanghai. Office—Ewo Building, 27 The Bund, Shanghai. (Territory includes Central China and North China.) *Cable address, Canadian.*

Cuba

C. S. BISSETT. Address for letters—Apartado 1945, Havana. Office—Royal Bank of Canada Building, Calle Aguiar 75, Havana. (Territory includes Dominican Republic and Puerto Rico.) *Cable address, Canadian.*

Egypt

HENRI TURCOT. Address for letters—P.O. Box 1770, Cairo. Office—22 Shari Kasr el Nil, Cairo. (Territory includes the Sudan, Palestine, Cyprus, Iraq, Syria, Iran, Greece, Turkey, Bulgaria, and Roumania.) *Cable address, Canadian.*

France

HERCULE BARRÉ, Commercial Attaché, 3 rue Scribe, Paris (9). (Territory includes French Colonies in North Africa.) *Cable address, Cancomac.*

Germany

J. C. MACGILLIVRAY, Bendlerstrasse 38, Berlin, W.35. (Territory includes Czechoslovakia and Poland.) *Cable address, Cantracom.*

Hongkong

V. E. DUCLOS. Address for letters—P.O. Box 80, Hongkong. Office—Hongkong and Shanghai Bank Building, Hongkong. (Territory includes South China, the Philippines, and Indo-China.) *Cable address, Canadian.*

Ireland

JAMES CORMACK, 66 Upper O'Connell Street, Dublin, Ireland (*cable address, Canadian*); and 36 Victoria Square, Belfast, Northern Ireland.

CANADIAN GOVERNMENT TRADE COMMISSIONERS—*Con.*

Italy

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Unloading Canadian Refractory Cement at Calcutta Docks

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THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE
JAMES G. PARMELEE, DEPUTY MINISTER

CONTENTS

	Page
Trade of Jamaica in 1937.....	353
Summary of the Trade of Canada: July.....	361
Mr. Vechsler's Tour of Canada.....	362
Market for Feedstuffs in the British West Indies (Eastern Group) and British Guiana.....	362
Conditions in the Hongkong Flour Market.....	365
Indian Market for Wood-pulp.....	366
The Ceylon Market:	
III. Trade with Canada.....	367
Motor Car Industry in Great Britain.....	371
Fresh Blueberry Market Conditions in New York.....	373
Feedstuffs Market in Belgium.....	374
Wheat and Flour Trade Regulations in Sweden.....	383
Crop Reports for the Scandinavian Countries and Finland....	390
Market Conditions for Dried Apples in the Netherlands.....	392
Economic Conditions in Netherlands India.....	393
Foreign Trade of Ecuador in 1937.....	396
United Kingdom Merchandise Marks Act.....	398
Tariff Changes and Customs Regulations.....	398
Foreign Exchange Quotations.....	403
Trade Inquiries for Canadian Products.....	404
Proposed Sailings from Canadian Ports.....	404
Commercial Intelligence Service.....	407

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No. 1805

TRADE OF JAMAICA IN 1937

F. W. FRASER, CANADIAN TRADE COMMISSIONER

I. Imports

Kingston, Jamaica, August 13, 1938.—In the calendar year 1937 the total c.i.f. value of imports into Jamaica was £6,138,379, including imports by parcels post amounting to £184,273. The former figure is the fourth highest recorded, having been surpassed only in 1920, 1928, and 1929, when the respective totals were £10,313,282, £6,376,398, and £7,027,013. This satisfactory showing was mainly due to the increase in the purchasing power of the inhabitants resulting from the record export last year of about 27,000,000 stems of bananas, to an advance in commodity prices, and general business recovery.

INCREASES AND DECREASES

There were increases in 1937 over 1936 in imports of most of the articles in considerable demand, notably: pickled herring; agricultural implements and tools; wearing apparel; bags and sacks for domestic produce; printed books; boots and shoes; motor vehicles, tires and parts; cement; cotton piece-goods; gasoline; hardware and ironmongery; sugar machinery; sewing machines; various manufactures of metal, including railway materials; galvanized iron for roofing and structural steel; chemical manures; newsprint; fuel oil; paper manufactures; patent medicines; dressed pitch pine lumber; silk manufactures; laundry soap; tea; leaf tobacco; wooden hoops and shooks; parcels post; and purchases by the Jamaican Government.

Imports of boots and shoes of all kinds in 1937 totalled 2,140,152 pairs valued at £235,318 c.i.f., or almost two pairs per head of the Island's population. The quantity shows an increase of 416,220 pairs over that of 1936, which was about double that of 1935.

Of motor vehicles, the total number imported in 1937 was 1,702, including 509 trucks and 39 cycles. Imports of cars and trucks were the highest so far recorded in any one year and exceeded the number in 1936 by 229.

The only considerable item showing a large decrease both in value and in quantity was coal for bunkering and other purposes, of which imports in 1937 totalled 112,668 long tons valued at £136,702 as compared with 166,622 tons worth £184,729 in 1936.

Of cotton piece-goods, the most valuable single item of Jamaica's import trade in 1937, total imports were 24,868,199 yards, as against 24,623,773 yards in 1936; but the respective values were £415,912 and £387,072—a striking instance of the rise in commodity prices, which is further exemplified by the fact that the quantities of flour, dried salted fish, pickled mackerel, and rough pitch pine lumber imported in 1937 were notably less than those of 1936 but the values were greater.

SOURCES OF SUPPLY

As compared with 1936, the United Kingdom and Canada gained in value but lost in percentage; other British Empire countries, the United States, and

other foreign countries gained in both. There were notable increases in imports from Germany, Japan, and the Dutch West Indies.

Of total imports in 1937 the United Kingdom was again the largest supplier, her share amounting to £2,009,402 or 33·7 per cent¹ of the total; Canada's share was £891,035 (14·9 per cent); that of other British Empire countries, £1,114,880 (18·8); United States, £1,083,417 (18·1); Germany, £213,806 (3·5); Dutch West Indies, £163,382 (2·7); Japan, £128,217 (2·1); and of other foreign countries, £349,967 (6·2 per cent).

The principal imports from Canada during 1937 were apparel; women's leather shoes; cheese; motor cars and trucks; motor tires, tubes and other parts; cotton manufactures; dried, pickled and canned fish; flour; cornmeal; oats; wheat; haberdashery; hardware; nails; unspecified provisions; chemical manures; ham; pickled pork; patent medicines; condensed milk; silk manufactures; leaf tobacco; potatoes; wooden furniture; Douglas fir lumber; red cedar shingles; paints; newsprint and other paper manufactures.

Apart from the United Kingdom and Canada the chief British Empire countries from which Jamaica bought goods in 1937 were: Trinidad, £287,855 (gasoline and kerosene); India, £229,268 (chiefly rice, jute sacks, and rubber-soled canvas shoes); Hongkong, £190,744 (chiefly apparel, rubber-soled canvas shoes, cotton and silk manufactures including piece-goods and hosiery, hats, and tea); Newfoundland, £158,915 (codfish); Australia, £117,996 (flour and wine); and New Zealand, £47,616 (butter and small quantities of fresh meat, cheese, and preserved milk).

Amongst foreign countries of supply other than the United States the following were prominent: Germany, £213,806 (chiefly bicycles, cement, chinaware, glass, glassware, haberdashery, hardware, sewing machines, sugar machinery, chemical manures, novelties, silk manufactures, and toys); the Dutch West Indies, £163,382 (heavy fuel oil, gasoline, and lubricating oil); Japan, £128,217 (chiefly apparel, brooms and brushes, cutlery, chinaware, cotton manufactures, canned fish, glassware, grease, haberdashery, hardware, hats, leather manufactures other than footwear and saddlery, mats and matting, soap, paper, perfumery, silk piece-goods, other silk manufactures, stationery, toys and games, and woollen manufactures); Holland, £96,063 (chiefly condensed milk, meats, chemical manures, paper, and leaf tobacco); and France, £42,343 (chiefly brandy, perfumery, silk goods, and wine).

Since 1936 Germany has been the second largest foreign supplier of goods to Jamaica, a position held by Japan for a few years prior to that time.

IMPORTS BY CATEGORIES

Divided into the British Board of Trade's categories, Jamaica's imports in 1937 appear as follows:—

Food, drink and tobacco.. . . .	£1,604,840
Raw materials and articles mainly unmanufactured.. . . .	301,826
Articles wholly or mainly manufactured.. . . .	4,038,579
Animals and birds, not for food.. . . .	5,222
Bullion, specie and parcels post.. . . .	187,912
Total.. . . .	£6,138,379

Of the £187,912 representing bullion, specie and parcels post, the last-named accounted for £184,273.

IMPORTS FROM CANADA

As in former years, Canada was the largest individual supplier of goods classed as food, drink, and tobacco, having £464,137 to her credit. The United Kingdom was next with £318,857, followed by Newfoundland with £158,880.

¹As in former years, imports by parcels post are not taken into account in this calculation, not being recorded in detail in the Jamaican customs returns, but the omission makes little, if any, difference in the percentage.

India with £157,238, the United States with £135,710, Australia with £114,629, Holland with £64,430, New Zealand with £46,879, and Argentina with £27,528.

Jamaica's heavy purchases of fish from Newfoundland, of flour from Great Britain and Australia, of butter from New Zealand, and of condensed milk from Holland, which was the largest supplier of this article in 1935 and again in 1937, have in recent years greatly reduced Canada's share of Jamaica's custom in foodstuffs. The value of imports from the Dominion of goods comprised in this category totalled £468,408 in 1936 as against £464,137 last year; the total imports of these goods in the two periods were, respectively, £1,487,796 and £1,604,840, hence it is evident that Canada has lost ground proportionately as well as in volume and value. Her percentage of this trade was 28.9 in 1937 and 31.5 in 1936 as compared with 38.2 in 1930, 42.9 in 1929, 41.2 in 1928, and 37.7 in 1927.

This loss has, however, been to some extent offset by gains in manufactured goods, imports from the Dominion under this category having exceeded those in any year since the present trade agreement with the West Indies became operative. The 1937 figure, £416,462, is the highest so far recorded, and represents 47 per cent of Jamaica's total imports from Canada in that year as compared with 40 per cent in 1936.

FACTORS RESPONSIBLE FOR INCREASES

Doubtless the all-round rise of commodity prices in 1937 over those prevailing in the former year was to some extent responsible for the enhanced value of Jamaica's purchases of manufactured goods from Canada, but there undoubtedly has been an increase in volume, largely due to the greater interest now taken in the Jamaican market by Canadian exporters.

Better tariff preferences, notably those granted by the Jamaican Government in June, 1934, on certain British Empire goods, chiefly wearing apparel and boots and shoes, have also assisted this expansion of Canadian trade; but it is to be noted that those preferences have likewise benefited Great Britain, India, and Hongkong, the last-mentioned being in 1935, 1936, and 1937 Jamaica's largest supplier of rubber-soled canvas shoes and cotton hosiery.

In 1936 and 1937 Hongkong also held first place in wearing apparel; she had been second in 1935. In cotton hosiery she was first as regards value as well as quantity both in 1936 and 1937; in silk and artificial silk hosiery she was first in both years in quantity, third in value in 1936 and second in 1937, when she took second place in hats as regards value: quantities of these articles are not recorded, but if she did not stand first in this regard, she was a close second, as her hats are cheap.

Both in 1936 and 1937 India was the second largest supplier of rubber-soled canvas shoes to Jamaica—a business that in former years was almost a Canadian monopoly.

Another factor that has tended to increase Jamaica's purchases from Canada of goods other than food, drink, and tobacco is the change in the basis of assessing ad valorem duty which, prior to April 1, 1937, had been computed on the value of the goods in country of origin—in practice, usually factory cost. As from that date the basis of calculation was changed to c.i.f. Kingston, Jamaica, with the result that the value of the preference has been increased on a fairly wide range of imported articles that are (1) free of duty under the British preferential tariff and subject to ad valorem duty under the general tariff; and (2) subject to identical specific duties under both tariff schedules, plus ad valorem duties under the latter, i.e., the general, applicable to foreign goods.

The principal articles so affected are lumber; shingles; citrus crates and other box shooks; railway and tramway rolling stock and supplies; agricultural machinery; implements and tools; artisans' tools; sewing machines; rum-stills and parts; pans for boiling sugar; telephones and their switchboards, and appliances for generating, storing and conducting electricity; but only in the case of

lumber, shingles, crates and a few other items has Canada derived notable advantage from the enhanced tariff preference. On the whole the United Kingdom has been the chief beneficiary; her manufacturers, indeed, already had a preponderant share of Jamaica's custom in most of these items.

The following comparison showing imports into Jamaica of manufactured goods (except food, drink, and tobacco) year by year since 1927, when the present Canada-West Indies Trade Agreement was implemented by this colony, is of interest:—

Imports of Manufactured Goods into Jamaica

Year	Total	From Canada
1927..	£3,062,574	£306,310
1928..	3,261,147	319,433
1929..	3,256,027	314,297
1930..	3,166,818	236,982
1931..	2,398,623	193,981
1932..	2,412,622	172,538
1933..	2,517,161	172,416
1934..	2,932,270	239,725
1935..	3,101,450	300,961
1936..	3,114,746	322,076
1937..	4,038,579	416,462

The world-wide economic depression, which began to be felt in Jamaica in 1930, and the subsequent business recovery dating from 1934, are reflected in the above table. In 1928 and 1929 trade was booming in this country; the value of imports of all kinds of goods during the latter period totalled £7,027,013, the second highest on record. In 1937, although Jamaica's total imports were less in value than those of 1929 by £888,634, her imports of manufactured goods in the former year exceeded those of the latter by £782,552, and in her imports of those goods from Canada there was a corresponding excess of £102,165. The actual volume of increase was appreciably larger than the figures indicate, because commodity values were lower in 1937 than in 1927, 1928, and 1929.

TREND OF IMPORT TRADE

The trend of Jamaica's import trade in the past three calendar years is indicated below:—

	1935		1936		1937	
	£	Per Cent of Total	£	Per Cent of Total	£	Per Cent of Total
United Kingdom.. . . .	1,954,897	40.3	1,876,971	38.1	2,009,402	33.7
United States.. . . .	879,932	18.1	833,875	16.9	1,083,417	18.1
Canada.. . . .	794,177	16.3	804,394	16.3	891,035	14.9
Other countries.. . . .	1,225,808	25.3	1,408,691	28.7	1,970,252	33.3
Parcels Post.. . . .	155,092	....	149,884	....	184,273	....
Total.. . . .	£5,009,906	100.0	£5,073,815	100.0	£6,138,379	100.0

Canada's percentage was 16 in 1934; 16 in 1933; 15 in 1932; 17.5 in 1931; 16.4 in 1930; 18 in 1929; 19.4 in 1928, and 18.8 in 1927, when the Canada-West Indies Trade Agreement was implemented by Jamaica. But for her increased share of Jamaica's custom in manufactured goods, as noted above, the decline in the Canadian percentage of the colony's total import trade would have been substantially greater.

In 1937 British Empire countries supplied 67.4 per cent of Jamaica's import requirements. The percentage was 73.0 in 1936; 71.6 in 1935; 69.1 in 1934, and 70.0 in 1933.

The increase of imports from the United States in 1937 over those of 1936 was chiefly due to larger purchases from that country of coal, hardware, agricultural machinery, leaf tobacco, lumber, and canned meats.

A noteworthy feature of Jamaica's import trade during the past five years is the improvement of Germany's share thereof, which was £80,281 in 1933, £80,186 in 1934, £95,673 in 1935, £132,252 in 1936, and £213,806 in 1937; her

percentage rose from 1.9 in 1933 to 3.5 in 1937, when she shipped, as compared with 1936, larger quantities of sugar machinery, glass, glassware, and hardware.

DETAILS OF PRINCIPAL IMPORTS, 1937

CLASS I—FOOD, DRINK, AND TOBACCO

Aerated and Mineral Waters.—Total, 7,432 dozen bottles (£1,452): United Kingdom, 3,138 dozens (£608); France, 2,548 dozens (£486); United States, 831 dozens (£182); Germany, 444 dozens (£76).

Baking Powder.—Total, 67,122 pounds (£1,821): United Kingdom, 43,031 pounds (£1,268); United States, 23,929 pounds (£547); small remainder from New Zealand.

Beer, Ale, Stout and Porter.—Total, 97,304 gallons (£25,257): United Kingdom, 88,558 gallons (£23,380); Denmark, 2,860 gallons (£566); Germany, 2,388 gallons (£526); United States, 1,044 gallons (£264). As from June 28, 1938, the duties on imported beer were increased from 1s. 9d. per gallon under the British preferential and 2s. 6d. under the general tariff to 2s. 4d. and 3s. 4d. respectively.

Biscuits, Bread, and Cake (a) Sweetened.—Total, 74,555 pounds (£3,714): United Kingdom, 36,337 pounds (£2,492); United States, 37,310 pounds (£1,092); Canada, 1,430 pounds (£104).

(b) *Unsweetened.*—Total, 14,801 pounds (£962): United Kingdom, 7,628 pounds (£604); United States, 4,096 pounds (£199); Canada, 2,212 pounds (£90). These were in tins or other small packages; there were also imports of unsweetened biscuits in bulk totalling 840 pounds (£30), supplied entirely by Canada. Unsweetened biscuits are made locally, and the industry has heavy tariff protection.

Butter.—Total, 1,011,618 pounds (£45,636): New Zealand, 983,125 pounds (£44,236); Australia, 23,480 pounds (£1,089); United Kingdom, 2,180 pounds (£137); Canada, 1,722 pounds (£117).

Butter Substitutes.—Total, 571,381 pounds (£11,220); entirely from the United Kingdom.

Cattle and Other Animal Foods: (a) Bran and Middlings.—Total, 277,125 pounds (£1,166): Canada, 269,800 pounds (£1,130); United Kingdom, 7,325 pounds (£36).

(b) *Other Kinds.*—Total, 779,232 pounds (£4,737): Canada, 664,784 pounds (£3,873); Haiti, 74,614 pounds (£194); United Kingdom, 32,930 pounds (£550); United States, 2,985 pounds (£56). Mixed feed for poultry was a considerable item of this category.

Cheese.—Total, 545,037 pounds (£18,761): Canada, 502,256 pounds (£16,761); United Kingdom, 14,073 pounds (£745); New Zealand, 13,506 pounds (£408); Holland, 7,895 pounds (£274); Switzerland, 2,548 pounds (£188); United States, 1,915 pounds (£188); Denmark, 1,084 pounds (£56).

Cocoa, Prepared.—Total, 439,976 pounds (£7,713): United Kingdom, 170,067 pounds (£4,594); Holland, 267,505 pounds (£3,060).

Confectionery.—Total, 953,648 pounds (£29,833): United Kingdom, 450,865 pounds (£16,432); United States 351,046 pounds (£9,010); Canada, 131,880 pounds (£3,790); Holland, 7,319 pounds (£177); Belgium, 3,412 pounds (£197); Hongkong, 5,116 pounds (£38).

Eggs.—Total, 33,283 dozens (£1,350): United States, 10,207 dozens (£656); Haiti, 7,811 dozens (£295); Canada, 4,432 dozens (£254); British West Indies, 10,833 dozens (£145). Except for purchases from the British West Indies, which consisted of eggs of a sea-bird called the booby, these imports were fowls' eggs. The poultry industry in Jamaica is rudimentary and unorganized, but plans are being made to develop it.

Fish: (a) Alewives, Pickled.—Total, 2,183,100 pounds (£11,368); all from Canada except 4,000 pounds (£24) from Newfoundland.

(b) *Canned.*—Total, 1,859,123 pounds (£35,896): United States, 670,090 pounds (£14,018); Canada, 463,761 pounds (£10,726); Japan, 610,603 pounds (£7,727); United Kingdom, 77,089 pounds (£1,929); Norway, 20,271 pounds (£586); France, 4,248 pounds (£364); China, 5,432 pounds (£171); Portugal, 3,128 pounds (£164); Hongkong, 3,539 pounds (£118). Salmon, sardines, herring, pilchards, and lobster were in that order the chief kinds. Imports from Japan consisted largely of sardines and lobster.

(c) *Dried Salted.*—Total, 15,314,466 pounds (£189,364): Newfoundland, 12,804,364 pounds (£157,788); Canada, 2,280,145 pounds (£27,105); United Kingdom, 196,190 pounds (£2,327); Hongkong, 14,638 pounds (£1,046); United States, 17,089 pounds (£942); small remainder from China, Japan, Panama, and Syria. Total imports in 1936 were 17,210,413 pounds (£170,990); evidently there was an advance of prices in 1937. That a smaller quantity was then imported was due to heavy production of local food crops—yam, plantain, breadfruit, etc. In the first six months of 1938, Newfoundland had about 90 per cent of Jamaica's custom in dried salted fish.

(d) *Fresh.*—Total, 25,050 pounds (£612): United States, 14,533 pounds (£278); United Kingdom, 6,816 pounds (£178); Canada, 3,701 pounds (£156).

(e) *Herring, Pickled*.—Total, 1,089,677 pounds (£6,048): Canada, 1,083,077 pounds (£6,005); small remainder from Newfoundland. Total imports in 1936 were 426,720 pounds (£2,570).

(f) *Herring, Smoked*.—Total, 94,505 pounds (£936): Norway, 46,680 pounds (£351); Canada, 25,990 pounds (£285); Sweden, 10,800 pounds (£84); Newfoundland, 6,000 pounds (£63); United Kingdom, 4,592 pounds (£138); United States, 443 pounds (£15).

(g) *Mackerel, Pickled*.—Total, 5,848,450 pounds (£53,263): Canada, 5,802,450 pounds (£52,842); Newfoundland, 46,000 pounds (£421). Imports in 1936 totalled 6,767,500 pounds (£47,068). In recent years there has been a change in popular taste, from pickled and smoked herring to pickled mackerel.

(h) *Salmon, Pickled*.—Total, 42,660 pounds (£940): Newfoundland, 24,000 pounds (£526); Canada, 18,660 pounds (£414).

(i) *Salmon, Smoked*.—Total, 60 pounds (£3), entirely from Canada.

(j) *Trout, Pickled*.—Total, 2,650 pounds (£46): Canada, 1,650 pounds (£31); Newfoundland, 1,000 pounds (£15).

Fruits and Nuts, Fresh: (a) *Apples*.—Total, 218,270 pounds (£2,752): United States, 150,110 pounds (£1,998); New Zealand, 64,180 pounds (£689); Canada, 3,980 pounds (£65).

(b) *Other Kinds*.—Total, 69,035 pounds (£1,567): United States, 67,857 pounds (£1,537); Canada, 1,139 pounds (£27); United Kingdom, 39 pounds (£3). These imports consisted of pears, peaches, plums and other northern fruit. The trade, like that done in imported fresh fish and meat, is a small luxury one.

Total imports of dried fruit in 1937, consisting of currants, prunes, raisins, dates, figs and other kinds, were 720,300 pounds (£9,211); the United States and Greece being the chief suppliers. Imports of nuts totalled 306,709 pounds (£3,527), shipped chiefly from China, India, and the United States.

Grain (a) *Corn*.—Total, 69,448 pounds (£295), of which 68,750 pounds (£287) came from Canada and the small remainder from the United States.

(b) *Oats*.—Total, 1,134,177 pounds (£4,975): Canada, 709,360 pounds (£3,311); Chile, 424,757 pounds (£1,663); small remainder from the United States.

(c) *Wheat*.—Total, 612,629 pounds (£3,594): Canada, 609,300 pounds (£3,557); United States, 2,790 pounds (£34); Syria, 539 pounds (£3). These imports were for use in making whole-wheat bread, for which there is a small demand in Jamaica, and they were almost entirely purchased by a large firm of bakers in Kingston.

(d) *Wheat Flour*.—Total, 367,091 bags of 196 pounds (£398,379): Canada, 211,335 bags (£243,641); Australia, 111,791 bags (£110,589); United Kingdom, 36,365 bags (£34,530); United States, 7,600 bags (£9,618). Total imports in 1936 were 427,776 bags (£390,058); the decline in 1937 was largely due to heavy production of local vegetables and fruit, and also in some degree to heavy purchases in the former year. Besides the above, 40 bags of other kinds of flour valued at £82 were imported. Australian wheat flour was wholly unknown in Jamaica prior to 1934 and only slightly so in that year. Considerable imports began in 1935, and in 1936 Australia had displaced the United Kingdom as the second largest supplier of this commodity. Much of the Australian and English flour is of "counter" grade, which Canada does not offer for export to this market in any considerable quantity, but some is comparable with Canadian baking grades.

(e) *Cornmeal*.—Total, 58,249 bags of 196 pounds (£48,224): United Kingdom, 42,098 bags (£34,449); Canada, 15,300 bags (£13,060); United States, 851 bags (£665). Small quantities of oatmeal, cottonseed meal, and linseed meal were also brought in.

(f) *Peas and Beans, Whole*.—Total, 1,279,873 pounds (£11,772): Chile, 698,944 pounds (£6,361); United States, 284,628 pounds (£2,818); Holland, 248,926 pounds (£2,180); Hungary, 17,050 pounds (£165).

(g) *Peas and Beans, Split*.—Total, 429,126 pounds (£2,727): Holland, 233,758 pounds (£1,423); United Kingdom, 87,950 pounds (£579); India, 81,238 pounds (£505); Canada, 25,600 pounds (£213).

(h) *Farinaceous Preparations, Unspecified*.—Total, 862,736 pounds (£14,480): United States, 563,696 pounds (£9,754); Canada, 199,906 pounds (£3,431); Holland, 33,048 pounds (£207); United Kingdom, 15,340 pounds (£677); British Malaya, 15,195 pounds (£123). Cereals and breakfast foods were the chief items of this category, which does not include small imports of arrowroot and corn flour.

Imports of rice, which is in large and regular demand in Jamaica, totalled 40,052,354 pounds (£171,023) in 1937, India and British Guiana being the chief suppliers.

Jams, Jellies, and Preserved Fruit.—Total, 560,668 pounds (£13,104): United States, 224,249 pounds (£5,534); United Kingdom, 221,807 pounds (£5,225); Canada, 55,518 pounds (£1,206); Hongkong, 14,143 pounds (£214); Japan, 14,391 pounds (£212).

Lard and its Substitutes.—Total, 954,978 pounds (£19,121): United Kingdom, 903,654 pounds (£17,235); Canada, 28,718 pounds (£1,023); United States, 22,606 pounds (£863).

Malt.—Total, 423,955 pounds (£4,846): Canada, 220,000 pounds (£2,508); Hungary, 197,905 pounds (£2,257); Czechoslovakia, 6,050 pounds (£81).

Imports of hops totalled 20,474 pounds and came from Germany, Czechoslovakia, the United States, and the United Kingdom.

Meats (a) Fresh.—Total, 108,676 pounds (£5,305): Canada, 46,196 pounds (£2,298); New Zealand, 24,927 pounds (£927); United States, 12,629 pounds (£1,080); United Kingdom, 10,288 pounds (£379); Argentina, 6,562 pounds (£254); Australia, 5,706 pounds (£240). Beef, mutton, lamb, chickens, and ducks were the chief items of this select trade.

(b) *Canned.*—Total, 637,850 pounds (£18,916): Argentina, 580,884 pounds (£14,974); United Kingdom, 19,272 pounds (£915); United States, 11,749 pounds (£1,776); Canada, 10,453 pounds (£471). Bully beef was the chief item.

(c) *Bacon.*—Total, 228,241 pounds (£7,618): United Kingdom, 162,014 pounds (£4,447); Canada, 46,028 pounds (£2,363); Ireland, 7,208 pounds (£249); Argentina, 6,575 pounds (£258); Denmark, 3,249 pounds (£104).

(d) *Beef, Wet Salted.*—Total, 1,153,430 pounds (£20,730): United Kingdom, 828,270 pounds (£14,860); Argentina, 309,100 pounds (£5,576); Uruguay, 11,500 pounds (£183); United States, 4,300 pounds (£104). In former years the last-named country was the chief supplier of this foodstuff, which is in moderate and regular demand.

(e) *Ham.*—Total, 417,658 pounds (£20,787): Argentina, 160,333 pounds (£6,359); United Kingdom, 62,800 pounds (£4,587); United States, 52,960 pounds (£3,037); Canada, 49,677 pounds (£2,534); Holland, 44,353 pounds (£2,203); Denmark, 41,983 pounds (£1,822). Argentina held fourth place in 1936.

(f) *Pork, Wet Salted.*—Total, 552,600 pounds (£13,414): Canada, 290,400 pounds (£6,832); United States, 258,000 pounds (£6,464); small remainder from Argentina and Uruguay.

(g) *Sausages, Wet Salted or Cured.*—Total, 21,755 pounds (£1,080): Canada, 8,904 pounds (£348); Hongkong, 3,886 pounds (£255); Denmark, 2,825 pounds (£142); United States, 2,420 pounds (£139); China, 1,951 pounds (£101); United Kingdom, 1,271 pounds (£70).

(h) *Tongues, Wet Salted.*—Total, 21,054 pounds (£697): Canada, 18,804 pounds (£617); United States, 2,250 pounds (£80).

Of dried, salted tongues, imports totalled 194 pounds (£13) and originated chiefly in Canada.

(i) *Other Kinds of Salted, Cured, Smoked or Pickled Meat.*—Total, 1,767 pounds (£204): Canada, 1,070 pounds (£54); United Kingdom, 543 pounds (£141); Hongkong, 104 pounds (£8).

Milk, Condensed, Unskimmed.—Total, 8,984,270 pounds (£119,258): Holland, 4,271,371 pounds (£49,882); United Kingdom, 2,744,842 pounds (£39,008); Canada, 1,476,178 pounds (£24,284); Ireland, 372,097 pounds (£4,390); Denmark, 63,707 pounds (£939); New Zealand, 26,114 pounds (£292); United States, 23,749 pounds (£345); small remainder from Switzerland and Trinidad. Dutch exporters quote very low prices. The bulk of these imports consisted of sweetened condensed milk; the demand for unsweetened evaporated milk is relatively small.

Milk, Powdered.—Total, 69,015 pounds (£1,871): United States, 28,999 (£639); Canada, 25,086 pounds (£818); New Zealand, 12,948 pounds (£203); United Kingdom, 1,859 pounds (£198); Holland, 573 pounds (£13).

Oils, Edible.—Imports under this heading are negligible in comparison with what they used to be. For some few years past edible coconut oil has been manufactured in Jamaica, and the industry is protected not only by the tariff on imports but also by an enactment providing that these can be made only under government licence which, needless to say, is not given indiscriminately. Imports of olive oil in 1937 totalled 3,210 gallons (£2,210), supplied by the United Kingdom, France, Palestine, the United States, Italy, and some other countries. There were also negligible imports of cottonseed and other edible oil.

Pickles.—Total, £301: United Kingdom, £169; United States, £103; Canada, £28.

Sauces.—Total, £1,998: United Kingdom, £971; Canada, £443; Hongkong, £342; United States, £125.

Condiments.—Total, £525: United Kingdom, £403; India, £65.

Provisions.—Total, £38,936: United Kingdom, £17,084; United States, £13,651; Canada £4,565; Hongkong, £1,001. These comprised a fairly wide range of unclassified foodstuffs.

Salt (not Rock).—Total, 16,521,329 pounds (£15,273): Turks Islands, 9,141,807 pounds (£3,892); United Kingdom, 6,810,794 pounds (£11,033); Bahamas, 466,300 pounds (£214); small residue from Germany, the United States, and Canada in that order. This was ordinary cooking, with small quantities of the more refined package salt for table use. Imports of rock salt, used chiefly for curing hides, totalled 344 long tons (£1,050), of which Germany was the chief supplier.

Spices.—Total, 337,468 pounds (£5,809): supplied chiefly from the Straits Settlements, British Malaya, British Borneo, China, the United Kingdom, and the British West Indies.

Spirits (a) Gin.—Total, 6,046 gallons (£3,901): United Kingdom, 5,881 gallons (£3,852); Holland, 154 gallons (£46).

(b) *Whisky.*—Total, 29,029 gallons (£34,272): United Kingdom, 27,083 gallons (£32,406); Canada, 1,690 gallons (£1,581).

(c) *Spirituous Compounds.*—Total, 2,802 gallons (£4,785): United Kingdom, 446 gallons (£1,570); France, 961 gallons (£1,377); United States, 212 gallons (£626); Holland, 455 gallons (£583).

Imports of brandy totalled 2,905 gallons (£5,007) and came almost entirely from France; of alcohol, 267 gallons (£88) from the United Kingdom; and of unenumerated spirits, 490 gallons (£110), entirely from the United Kingdom.

On June 28, 1938, the customs duties on all kinds of spirits imported into Jamaica were increased. Until then, whisky had paid a minimum of 24s. per liquid gallon under the British preferential tariff and 32s. 2d. under the general tariff; or respectively, per proof gallon, 28s. 3d. and 41s. The new rates are respectively 32s., 42s. 11d., 37s. 8d., and 54s. 8d. Gin was formerly dutiable, per proof gallon, at 28s. 3d. preferential and 34s. 4d. general, with respective minima of 24s. and 29s. 8d.; the new duties on this article are respectively 37s. 8d., 45s. 10d., 32s., and 39s. 7d.

Sugar.—The most considerable item under this head was molasses, of which imports totalled 55,906 pounds (£982) and came chiefly from the United Kingdom and the United States. There were negligible imports of glucose, invert and refined sugar, saccharine, and "superpel," a material used in refining. Sugar has been refined in Jamaica for some years past, and as this business developed the imports of refined sugar, which were formerly of considerable volume and of which Canada was the largest supplier, became negligible.

Tea.—Total, 125,687 pounds (£11,288); Ceylon, 93,228 pounds (£9,336); Hongkong, 22,043 pounds (£1,096); United Kingdom, 5,714 pounds (£480); India, 2,513 pounds (£189); China, 1,719 pounds (£140); United States, 301 pounds (£22); Canada, 144 pounds (£23). Imports totalled 95,040 pounds (£7,896) in 1936.

Tobacco (a) Leaf, Other than for Wrapping Cigars.—Total, 615,900 pounds (£35,510): United States, 361,471 pounds (£24,473); Southern Rhodesia, 200,105 pounds (£9,235); Canada, 54,324 pounds (£1,802). These imports were to meet the requirements of the local cigarette manufacturing industry; the 1936 imports totalled 480,602 pounds (£23,939).

(b) *Cigar Wrappers.*—Total, 26,438 pounds (£4,202): from Holland, the Dutch East Indies, and Sumatra. There were also re-imports of Jamaican cigar wrappers totalling 15,135 pounds (£1,147).

(c) *Cigarettes.*—Total, 42,768 pounds (£17,161): United Kingdom, 37,131 pounds (£15,668); United States, 5,636 pounds (£1,492). Imports in 1936 totalled 36,753 pounds (£13,386).

(d) *Other Manufactured Tobacco.*—Total, 25,699 pounds (£4,049): United States, 19,118 pounds (£2,297); Canada, 3,700 pounds (£459); United Kingdom, 2,835 pounds (£1,287). This was mainly pipe tobacco.

For some time past the local production of leaf tobacco has been aided and encouraged by the Government, chiefly (so far) with export markets in view, but experiments are being made in an effort to grow leaf suitable for the local cigarette manufacturing industry and also to produce satisfactory cigar wrappers, which hitherto have been imported. Cigar fillers of Havana type have been grown in Jamaica for many years past. There were negligible imports of cigars in the year under review.

Vegetables, Fresh (a) Onions and Garlic.—Total, 1,699,985 pounds (£7,804): Egypt, 769,902 pounds (£3,004); United States, 537,561 pounds (£2,683); Canada, 205,900 pounds (£817); Cyprus, 77,400 pounds (£360); Holland, 36,962 pounds (£167); Mexico, 25,908 pounds (£236); Chile, 20,032 pounds (£204).

(b) *Potatoes.*—Total, 1,199,652 pounds (£4,631): Canada, 1,123,912 pounds (£4,303); Ireland, 38,440 pounds (£179); United Kingdom, 27,250 pounds (£122); United States, 10,000 pounds (£27).

(c) *Other Kinds.*—Total, 47,387 pounds (£1,259): United States, 46,096 pounds (£1,229); Canada, 1,265 pounds (£30). Asparagus, cabbage, celery, and tomatoes were the chief items of this small luxury trade, which, should the suggestion that the production of vegetables for the local market be modernized be implemented in practice, will probably decline in the future. The Jamaica Government's Experimental and Marketing Station has proved that asparagus can be grown at sea-level in this, a tropical country—a fact hitherto not generally known, at least in the Island.

(d) *Dried, Canned and Preserved.*—Total, 124,660 pounds (£1,801): Canada, 69,485 pounds (£815); United States, 49,581 pounds (£693); United Kingdom, 7,074 pounds (£161); Belgium, 2,935 pounds (£67); France, 429 pounds (£41). Asparagus, corn, peas, and tomatoes were large items of this business, in which Canada has achieved first place during the past few years. A well-known Canadian brand of canned vegetables, represented by a competent and aggressive local firm of commission agents, is firmly established in the market.

Imports of dried vegetables are quite small.

Vinegar.—Total, 4,142 gallons (£1,286): United Kingdom, 3,525 gallons (£1,217); United States, 595 gallons (£62); Canada, 22 gallons (£7).

Wines.—Canada sells Jamaica only very small quantities of these, which for the most part are a luxury trade; the poorer people drink "wines," locally made with rum, as their basis and sold quite cheap. Total imports of all kinds of wines into Jamaica in 1937 were 18,279 gallons (£14,784), and the chief supplying countries were Australia, France and Spain. Port, Sherry, Champagne, and Claret were the chief kinds. Included in these figures are 338 gallons of wine for church use (£122) shipped from the United States, France, and Spain.

Yeast and Yeast Cakes.—Total, 175,923 pounds (£5,395): United States, 175,593 pounds (£5,329); Germany, 330 pounds (£66).

SUMMARY OF THE TRADE OF CANADA : MONTH, SEVEN MONTHS, AND TWELVE MONTHS ENDING JULY, 1938

(Compiled by External Trade Branch, Dominion Bureau of Statistics)

Main Groups	Month of July, 1938				Seven months ending July, 1938				Twelve months ending July, 1938			
	Total Imports	From United Kingdom	From United States		Total Imports	From United Kingdom	From United States		Total Imports	From United Kingdom	From United States	
	\$	\$	\$		\$	\$	\$		\$	\$	\$	
<i>Imports for consumption</i>												
Agricultural and Vegetable Products.....	10,321,250	1,058,888	3,691,500		73,230,379	8,982,695	30,518,454		143,808,509	17,576,931	49,109,299	
Animals and Animal Products.....	1,851,752	357,125	818,780		15,161,587	2,720,603	6,400,918		26,926,073	4,969,304	10,781,784	
Fibres, Textiles and Textile Products.....	6,679,918	3,293,777	1,946,106		51,562,315	2,780,832	17,084,843		94,927,103	44,935,802	31,570,151	
Wood, Wood Products and Paper.....	2,538,244	321,312	2,059,771		18,326,859	1,841,187	33,307,018		33,344,893	3,697,957	27,291,493	
Iron and Its Products.....	12,270,050	1,876,368	90,571,112		99,571,112	14,332,062	18,951,994		188,951,994	28,075,616	153,289,721	
Non-Ferrous Metals and their Products.....	3,305,790	400,034	1,972,175		14,903,177	3,674,889	14,903,177		34,824,259	6,304,949	27,969,989	
Non-Metallic Minerals and their Products.....	12,280,742	1,225,222	9,084,634		66,290,803	6,704,893	50,802,583		132,518,736	13,045,272	101,585,211	
Chemicals and Allied Products.....	2,716,117	508,971	1,905,619		18,464,955	3,718,558	19,878,584		35,096,900	7,020,709	22,433,107	
Miscellaneous Commodities.....	3,797,648	574,981	2,757,748		26,729,131	3,781,558	12,712,584		49,200,983	6,881,697	33,189,883	
Total Imports, 1938.....	55,822,520	9,746,678	34,051,476		392,514,764	69,250,718	240,440,202		748,590,460	132,518,297	460,220,638	
1937.....	71,905,940	14,507,241	41,945,201		452,811,020	84,033,872	279,376,826		780,376,826	139,556,386	440,786,469	
1936.....	83,820,904	10,006,404	29,504,336		347,025,047	67,438,950	208,064,089		589,153,408	120,537,950	338,534,378	
<i>Exports (Canadian Produce)</i>												
Agricultural and Vegetable Products.....	14,171,074	7,870,470	1,883,102		89,055,553	52,505,911	11,045,303		203,101,004	125,340,136	26,332,068	
Animals and Animal Products.....	9,804,141	6,043,173	2,173,731		63,979,082	40,213,932	15,905,637		124,242,255	75,455,729	33,913,387	
Fibres, Textiles and Textile Products.....	1,321,892	201,449	279,792		7,704,155	2,103,405	1,080,658		13,672,172	3,651,224	1,887,006	
Wood, Wood Products and Paper.....	18,944,665	3,897,656	11,935,380		113,585,097	22,091,828	72,343,909		233,380,026	44,309,774	151,432,745	
Iron and Its Products.....	5,480,690	815,367	212,984		39,853,393	9,111,430	2,661,176		67,029,062	15,528,515	5,445,451	
Non-Ferrous Metals and their Products.....	12,213,975	5,228,369	2,901,392		105,306,852	53,424,322	23,104,500		231,666,288	102,120,119	80,472,200	
Non-Metallic Minerals and their Products.....	2,158,925	376,098	1,010,339		13,425,451	1,666,409	6,578,181		27,399,082	3,377,904	14,556,648	
Chemicals and Allied Products.....	1,291,155	426,104	1,388,390		11,398,039	2,708,379	5,480,644		19,716,497	4,971,135	8,257,323	
Miscellaneous Commodities.....	1,529,405	336,589	890,245		12,483,724	2,781,895	5,252,985		19,899,847	4,057,615	9,754,512	
Totals, 1938.....	66,915,722	25,795,576	21,645,505		457,392,556	186,727,215	143,462,143		940,707,433	378,873,151	332,051,400	
1937.....	99,157,775	36,494,749	40,354,377		627,477,274	212,454,539	281,591,789		1,138,975,390	416,319,568	491,902,877	
1936.....	83,838,858	37,432,509	29,517,464		503,707,349	195,965,956	196,353,479		918,751,327	364,937,772	369,009,546	
<i>Exports (Foreign Produce)</i>												
Totals, 1938.....	11,804,077	8,082,967	729,509		36,406,890	21,190,300	7,192,074		42,234,654	21,747,259	11,950,462	
1937.....	984,621	62,814	826,371		8,940,067	739,565	7,457,235		15,829,730	1,069,952	13,547,931	
1936.....	1,069,426	105,409	896,507		5,806,886	588,004	4,791,068		12,499,748	933,993	10,817,419	
<i>Excess of Imports (a) or Exports (e)</i>												
Totals, 1938.....	(e) 22,897,270	(e) 24,131,895	(i) 11,676,462		(e) 101,884,682	(e) 138,686,792	(i) 98,785,985		(e) 234,342,627	(e) 268,102,113	(i) 116,212,776	
1937.....	(e) 28,146,456	(e) 22,050,322	(i) 794,453		(e) 183,005,742	(e) 129,170,137	(e) 9,300,979		(e) 414,428,294	(e) 277,833,134	(e) 64,064,339	
1936.....	(e) 31,147,380	(e) 26,931,514	(e) 909,635		(e) 161,888,588	(e) 129,115,110	(i) 6,949,512		(e) 242,007,607	(e) 245,333,815	(e) 41,292,587	

MR. VECHSLER'S TOUR OF CANADA

Mr. M. J. Vechslor, Canadian Trade Commissioner at Lima, Peru (whose territory includes Bolivia, Ecuador, and Chile), will visit Toronto from September 6 to 20 and will be in Ottawa on September 23.

Firms who wish to be brought in touch with Mr. Vechslor should communicate for Toronto with the office of the Canadian Manufacturers Association, and for Ottawa with the Department of Trade and Commerce.

MARKET FOR FEEDSTUFFS IN THE BRITISH WEST INDIES (EASTERN GROUP) AND BRITISH GUIANA

G. A. NEWMAN, ASSISTANT TRADE COMMISSIONER

Port of Spain, Trinidad, August 6, 1938.—With most of the arable land in the British West Indies devoted to the production of sugar cane, cotton, or cocoa, animal husbandry is of secondary importance and insufficient in scope to meet local requirements for either dairy products or meat. For the same reason, British West Indies live-stock owners have been obliged to rely on imported feedstuffs for their dairy cattle, horses, and mules, although feed for other animals—goats, sheep, swine, and asses—is of domestic production.

The following figures of animal distribution in this territory indicates only approximately the potential feedstuffs market, as they are subject to a number of qualifications, the first being that live stock in British Guiana are grazed on local savannahs, with the result that British Guiana is the least important of the three markets listed, and, secondly, Barbados is the most important market for linseed oilcake meal and oats, even though no figures are available as to the number of its cattle:—

Census of Animals

	Trinidad	Barbados	British Guiana
Horses.. . . .	2,510	1,414	3,017
Mules.. . . .	4,211	4,111	1,525
Asses.. . . .	5,506	2,848	5,962
Cattle.. . . .	22,167	....	81,728
Sheep.. . . .	2,660	....	21,211
Goats.. . . .	14,148	....	11,251
Pigs.. . . .	18,798	....	21,880

Linseed oilcake meal, oats, bran, and middlings are the feedstuffs imported in any volume which are of interest to Canadian shippers, average annual imports in recent years being as follows:—

Average Imports of Feedstuffs, 1934-36

	Barbados Lbs.	Trinidad Lbs.	British Guiana Lbs.
Oilmeal and cake.. . . .	10,926,695	4,613,280	943,186
Oats.. . . .	5,639,110	4,674,432	2,253,418
Bran and pollards.. . . .	3,837,577	1,269,080	108,632

LINSEED OILCAKE MEAL (OLD PROCESS)

Linseed oilcake meal is the main product used for dairy cattle feed. In the period 1929-30 Barbados was the leading export market for Canadian linseed cake meal, but despite the fact that total imports continued to increase, receipts of Canadian supplies dwindled to 181 pounds in 1936. The decline was more than balanced by imports into Barbados from the United States, which increased from 2,771,859 pounds in 1931 to 9,442,137 pounds in 1936. A similar change took place in the other markets, due, it is understood, to the low price of the United States oil meal.

Within the past three months there has been a moderate increase in imports from Canada. At present, United States linseed oilcake meal is quoted at \$2.70 per 125 pounds net in bags, c.i.f. and c. (5 cents per bag) British West Indies ports. This oil meal is advertised as having the following content: crude protein, 32.9 per cent; crude fat, 5 per cent; crude fibre, 9 per cent; nitrogen free extract, 34 per cent; insoluble ash, .5 per cent.

An effort is being made by local authorities to encourage the use of locally grown high protein feedstuffs, but to date there has been no noticeable effect on the import market.

OATS

Oats are important mainly for use as horse feed, and oats and maize for use as mule feed. Horses and mules are used largely on the local sugar estates and by native carters, with the result that the demand for oats is most marked during the cane harvesting season of January to June, when the animals are fed more intensively to meet the strain of the heavy field work.

While large estates are in a position to purchase good quality oats, and one large Trinidad estate at least has been buying Scotch oats weighing about 44 pounds to the bushel, the established demand is for No. 2 or 3 C.W. feed oats imported from Canada in 160-pound bags. Imports from Holland tend to increase when Canadian quotations become unduly high.

Imports of oats, according to value, in 1937 were as follows:—

	Trinidad	Barbados	British Guiana
Canada.. . . .	\$60,601	\$50,385	\$24,760
Netherlands.. . . .	19,129	63,988	12,140
United Kingdom.. . . .	16,449	960	2,104
Other countries.. . . .	63	1,290	396
	<u>\$96,242</u>	<u>\$116,623</u>	<u>\$39,400</u>

Since 1932, imports have remained close to the averages previously mentioned in this report. The only outstanding change in 1937 was a heavy increase in the imports of Dutch oats into the Barbados market, which amounted to 3,199,386 pounds (\$63,988) as compared to 170,850 pounds (\$2,798) in 1936.

No. 2 Canadian feed oats are at present being quoted at \$3.18 (\$3.36 c.i.f. and c.) per 160-pound bag, according to quality, in Trinidad and British Guiana, with slightly lower prices prevailing in Barbados. The agent's commission on oats is usually 5 cents per bag.

BRAN AND POLLARDS

Bran mixed with molasses or water is used for cattle feed. Argentina is now supplying the bulk of the bran imported—\$57,201 of the total import value of \$59,106 for Barbados in 1936 and \$12,812 of the total import value of \$13,469 for Trinidad was credited to Argentina. Total British Guiana imports in the same year, valued at \$1,976, were almost entirely from Canada.

Argentine bran is being quoted at present at 90 cents per 66-pound bag c.i.f. Trinidad.

HAY

A moderate quantity of No. 2 timothy hay in 120- to 130-pound bales is imported from Canada into the Barbados and Trinidad markets. In 1937 Barbados imports amounted to 233,174 pounds (\$3,353) and Trinidad imports to 90 tons (\$3,084). A large percentage of the imported hay is used as feed for racehorses.

OTHER FEEDSTUFFS IMPORTED

Imports of other feedstuffs into Trinidad, Barbados and British Guiana were as follows:—

TRINIDAD

Mixed Feeding Stuffs, Grain.—1937 total, 230 tons (\$13,490): Canada, \$12,478; United States, \$601; United Kingdom, \$156; other countries, \$255.

Commercial Mixed Feeding Stuffs, Meal.—1937 total, 174 tons (\$11,162): Canada, \$5,494; United Kingdom, \$3,944; United States, \$1,724.

Cereal By-products, n.o.p.—1937 total, 139 tons (\$7,057): United Kingdom, \$6,412; Canada, \$15.

Feedstuffs, n.o.p.—1937 total, 125 tons (\$10,307): United Kingdom, \$5,667; United States, \$2,605; Canada, \$274.

BARBADOS

Cattle and Animal Foods, n.o.p.—1936 total, 1,011,851 pounds (\$11,134): United Kingdom, \$5,217; Canada, \$1,939; British West Indies, \$4,094.

BRITISH GUIANA

Feeding Seeds.—1936 total, 78,684 pounds (\$4,555): Holland, \$4,505.

Feeding Grain.—1936 total, 75,542 pounds (\$2,013): Canada, \$1,443.

A large percentage of the commercial mixed feeds consists of poultry scratch grains and meals. Coarse, intermediate and fine scratch grains at prices varying from \$2.30 to \$2.90 c.i.f. per 100 pounds, according to brand and grade, have a steady sale on these markets, as do the various laying, growing and starting meals, prices of which range from \$2.50 to \$2.80 per 100 pounds c.i.f. There is also a limited sale of balanced cow and calf meals at about \$2.50 per 100 pounds c.i.f.

LOCAL FEEDSTUFFS

Reference has been made to the effort to encourage the use of local high protein feedstuffs. A balanced ration for dairy cattle, which has been recommended as fulfilling this purpose, consists of 1 pound each of molasses, cotton seed meal, linseed or coconut meal, and bran or rice bran.

Molasses costs 8 cents per gallon of 14 pounds, or approximately $\frac{1}{2}$ cent per pound, cotton seed meal $1\frac{1}{2}$ cents, rice bran $\frac{1}{2}$ cent, and coconut meal 1 cent, thus permitting a balanced ration at a cost of slightly less than 1 cent per pound.

DISTRIBUTION

Feedstuffs are sold usually through local commission agents to merchant importers, although there are frequent direct importations by merchants, especially in Barbados. Commissions vary, but 5 cents per bag is commonly accepted and is included in the c.i.f. quotations. Terms are usually sight draft 15 to 30 days D.O.A. with 1 per cent discount for sight.

CUSTOMS DUTIES

Tariff duties on imports of feedstuffs into the Colonies of Barbados, Trinidad, and British Guiana are as follows:—

OILCAKE AND MEAL

	Barbados	Trinidad	British Guiana
General.. . . .	1s. per 100 lbs.	30 cts. per 100 lbs.	14 cts. per 100 lbs.
British Preferential ..	6d. per 100 lbs.	15 cts. per 100 lbs.	7 cts. per 100 lbs.
Surtax.. . . .	10 per cent	None	30 per cent

OATS

	Barbados	Trinidad	British Guiana
General.. . . .	1s. 4d. per 100 lbs.	48 cts. per 100 lbs.	50 cts. per 100 lbs.
British Preferential ..	7d. per 100 lbs.	24 cts. per 100 lbs.	25 cts. per 100 lbs.
Surtax.. . . .	10 per cent	None	30 per cent

BRAN AND POLLARDS

	Barbados	Trinidad	British Guiana
General	1s. 2d. per 100 lbs.	30 cts. per 100 lbs.	50 cts. per 100 lbs.
British Preferential ..	7d. per 100 lbs.	15 cts. per 100 lbs.	25 cts. per 100 lbs.
Surtax.. . . .	10 per cent	None	30 per cent

GRAINS, N.O.P.

General.. . . .	20 per cent ad. val.	60 cts. per 100 lbs.	50 cts. per 100 lbs.
British Preferential ..	10 per cent ad. val.	30 cts. per 100 lbs.	25 cts. per 100 lbs.
Surtax.. . . .	10 per cent	None	30 per cent

MEALS, N.O.P.

General.. . . .	20 per cent ad. val.	\$1.60 per 100 lbs.
British Preferential ..	10 per cent ad. val.	\$0.80 per 100 lbs.
Surtax.. . . .	10 per cent	None

CONDITIONS IN THE HONGKONG FLOUR MARKET

V. E. DUCLOS, CANADIAN TRADE COMMISSIONER

Hongkong, August 4, 1938.—Imports of flour into Hongkong during the first half of 1938 amounted to 61,084 tons (US\$2,821,977) as against 26,389 tons (US\$1,175,293) for the corresponding period of 1937.

Australia was the principal supplier, being credited with 41,722 tons (US\$1,863,220) as against 16,254 tons (US\$678,426) for the first six months of 1937. The United States was next in importance with 14,277 tons (US\$675,676) as against 2,084 tons (US\$109,731). Canada contributed 5,085 tons (US\$283,081) as against 5,068 tons (US\$241,843).

FACTORS AFFECTING THE MARKET

At the beginning of the period under review there were considerable stocks of flour on hand in the market, on account of the arrival of large shipments and the slow absorption by local dealers.

Towards the end of February, sales were stimulated as a result of a brisk demand from North China ports, which had formerly been catered to from Shanghai. This favourable influence resulted in a reduction of stocks, and a steady demand at profitable prices was maintained until the end of May, when the drastic decline in the Chinese dollar in terms of foreign currency forced the North China buyers to curtail their purchases.

A further disturbing factor to an already weak market was the extension of disturbances to South China, with resultant disorganization of trade with Canton and the ports of Amoy and Swatow.

At the close of the half-year there was a heavy accumulation of stocks, importers forcing sales at below replacement costs.

STOCKS AND PRICES

At the end of June, stocks were estimated at about 809,000 bags comprising: Australian, 570,000 bags; American Club Straight, 115,000 bags; American Cut Off, 40,000 bags; American Patent, 2,000 bags; Canadian First Clear, 80,000 bags; and Canadian Patent, 2,000 bags.

The average quotations on the several grades and qualities of flour at the end of June were as follows:—

Australian.. . . .	£7 to £7 2s. 9d. per ton
American Club Straight.. . . .	US\$3.40 to 3.50 per bbl.
American Cut Off.. . . .	US\$3.75 to 4.00 " "
American Patent.. . . .	US\$4.45 " "
Canadian First Clear.. . . .	US\$3.80 " "
Canadian Patent.. . . .	US\$5.95 " "

INDIAN MARKET FOR WOOD-PULP

PAUL SYKES, CANADIAN TRADE COMMISSIONER

(One rupee is approximately equal to \$0.375 Canadian)

Calcutta, August 9, 1938.—India is a regular importer of considerable stocks of wood-pulp, chiefly for use in the paper industry. Imports have amounted to from 11,000 to 20,000 tons during each of the past six years. Values have at the same time varied from \$550,000 to \$1,000,000. Details of receipts from principal countries during the years 1935-36 and 1936-37 are given herewith:—

Imports of Wood-pulp into India

	1935-36		1936-37	
	Cwt.	Rs.	Cwt.	Rs.
Total..	309,422	2,047,566	220,944	1,456,125
Norway..	129,406	838,373	89,680	571,445
Sweden..	87,089	579,108	73,036	483,628
United States.. . . .	64,521	427,485	37,714	239,269
Finland..	4,545	30,385	8,934	77,259
Germany..	201	1,630	6,223	43,101
United Kingdom.. . .	11,750	81,708	3,106	25,873
Canada..	7,342	58,772	....	....
Austria..	4,563	30,075	....	....
Other..	2	30	2,251	15,550

During 1937-38, for which period detailed statistics are not yet available, total imports amounted to 214,334 cwts. valued at Rs.1,717,076.

Imports from Canada have been spasmodic. There is no record of imports of Canadian wood-pulp during the year 1932-33, but a limited volume of business was done during the next three years, values having been as follows: 1933-34, Rs.34,643; 1934-35, Rs.27,598; 1935-36, Rs.58,772. Again in 1936-37 no business was done by Canadian firms, but shipments were resumed during the latter part of 1937, while a cargo valued at Rs.23,654 was cleared through the Calcutta customs early in the present year.

PRINCIPAL MARKET CHARACTERISTICS

The Indian market for wood-pulp is based almost entirely on the demand of the paper manufacturing industry for materials to blend with pulp made locally from grass and bamboo. It is only for the manufacture of some types of paper that foreign wood-pulp is required, numerous grades being made only from indigenous materials. The technique of manufacturing average qualities of writing and similar papers exclusively from pulp of domestic origin is gradually improving and, as further refinements are introduced, the demand for foreign pulp will possibly decline. For the time being, however, the construction of several new paper-mills may conceivably lead to an increase in wood-pulp imports.

The principal types of wood-pulp now in demand are bleached and easy bleaching sulphite, the latter being required in larger quantities than the former. Sulphate pulp is seldom purchased by Indian paper-mills, although one plant now in the course of construction will probably provide an outlet for this grade up to the time when adequate stocks can be produced from domestic materials. Small amounts of bleached sulphate are occasionally imported by boxboard manufacturers.

Wood-pulp is usually purchased in London, contracts being concluded on a basis of specifications and prices or following analysis and testing of samples at the mills in India.

The import duty on wood-pulp is Rs.45 per ton. This rate applies to all countries.

OUTLOOK FOR INCREASED CANADIAN TRADE

The paper industry having become accustomed to Scandinavian wood-pulp, Canadian exporters will find it necessary to give particular attention to this business if larger stocks of the Canadian product are to be sold in the Indian market. Adequate samples of all standard grades should be provided to local mills and to their London buying agents, while arrangements should also be made to inform buyers as to price changes and stocks available for export at any time when there might be difficulties in the way of prompt fulfilment of orders. All such negotiations can be carried on as between principal and principal, there being no necessity in this trade for the services of agents.

A list of the principal Indian importers of wood-pulp is available to interested Canadian firms on application to the Department of Trade and Commerce, Ottawa, quoting file No. 23943. Further information regarding the Indian market for this commodity may also be obtained from the Canadian Government Trade Commissioner, Calcutta.

THE CEYLON MARKET

PAUL SYKES, CANADIAN TRADE COMMISSIONER

III. Trade with Canada

[One silver rupee (R.1) equals \$0.37 Canadian.]

Although Canada has long been one of Ceylon's most important markets, imports of Canadian products have never reached an important level. There is in Canada, of course, a keen demand for tea and a large and growing market for rubber and coconut oil but in the case of reverse trade there is practically no call for such typical Canadian commodities as wheat or flour, metals, ores, wood-pulp, furs, or asbestos. The current ratio of trade values of approximately 20 to 1 in Ceylon's favour must therefore be considered as practically inevitable.

Total exports from Ceylon to Canada during the year 1937 were valued at Rs. 16,261,711 of which tea, coconut oil, and rubber accounted for Rs. 6,125,039, Rs. 4,978,217, and Rs. 4,829,586 respectively. Other items of importance were cacao, Rs. 291,845, and desiccated coconut, Rs. 83,325.

PRINCIPAL IMPORTS FROM CANADA

Imports of Canadian goods were valued at Rs. 720,930 in 1937, the most important individual items concerned in this trade being motor cars, commercial vehicles and parts, toilet soap, tires, rubber belting, and typewriters. Details of this trade are given in tabular form herewith:—

Principal Imports from Canada in 1937

Motor cars	Rs. 145,546
Motor trucks and buses	114,161
Toilet soap	87,715
Parts for motor vehicles	55,999
Rubber tires	49,232
Belting, other than leather	34,870
Typewriters	30,451
Photographic materials	28,924
Clocks	28,808
Cereal foods	26,798
Evaporated milk	19,965
Lumber	13,096
Miscellaneous foodstuffs	12,351
Silk hosiery	12,153
Canned fish	11,695
Other commodities	49,166
Total	Rs. 720,930

CEYLON CUSTOMS TARIFF

Ceylon has its own customs tariff which provides for the collection of duty at ad valorem or specific rates on a wide range of imported goods. Certain raw materials and similar articles are admitted free of duty. The tariff provides also for preferential rates of duty to apply to many articles of British Empire origin or production and in a large number of instances this rate is 15 per cent as against a general rate of 25. Claims for preferential tariff treatment must be supported by statements that 50 per cent or more of the assessed value of the goods involved represents Empire labour and material. Canada is entitled to the benefits of these preferential tariff rates.

GENERAL MARKET CHARACTERISTICS

Ceylon, although still a Crown Colony, is virtually self-governing and independent. It is a market which is entirely distinct from India or any other country and should be so regarded by Canadian exporters. It is, moreover, a market of growing importance, as indicated by increases in total trade values and by numerous indices of improved standards of living. As such it will merit greater attention on the part of Canadian exporters of both raw and manufactured products than it has to date. Canadian products have the advantage of a preferential tariff and a distinct tendency on the part of many British import and merchant firms to support trade in Empire products.

An obvious obstacle to the sale of various Canadian goods in the Ceylon market is that a normally limited demand has been met for many years past by manufacturers in the United Kingdom whose agency or distributing arrangements, brands, etc., have acquired a sound reputation. The same advantage is also held, in a smaller number of cases, by Australia which has benefited from its proximity to Ceylon and the excellent steamship connections between the two countries.

There is also to be considered the growing importance, in many trades, of domestic competition. To date this has generally been of small importance but, as previously noted, the government has adopted a policy of giving practical encouragement to the commencement and expansion of various industries which may gradually lead to reductions in the demand for imported foodstuffs, wearing apparel, and other articles which are in widespread demand.

REPRESENTATION

There is no lack of desirable connections for Canadian exporters in Ceylon, as there are numerous active and reliable European and Singhalese firms available as representatives for every commodity that is likely to be shipped to this market from Canada. Many Ceylon concerns combine the activities of importers (on their own account), exporters of Ceylon produce, merchants, and agents. The number of commission agents or manufacturers' representatives is comparatively small. This situation is due to the fact that many managing agents of tea, rubber, and coconut estates are interested in not only selling estate supplies to their associates but also in acting as suppliers of imported food and drink, household equipment, wearing apparel, and allied lines. As the various estates represent a large part of Ceylon's buying power, the operation of their managing agents as importers and distributors curtails the activities of firms who are purely agents and distributors. In general, therefore, Canadian exporters can expect to be represented by a European or Singhalese firm of merchants and distributors who will in many instances purchase on their own account but who may also indent on behalf of their local connections.

Due care should be exercised in the selection of agents in Ceylon. Information as to the standing and operations of prospective representatives can be supplied by the Canadian Trade Commissioner at Calcutta.

It is desirable that agents should be appointed in Ceylon as distinct from any representative in India. The Ceylon market is quite as separate from India in its essential characteristics as it is geographically.

QUOTATIONS

Prices quoted to Ceylon buyers or agents may be in Canadian dollars or sterling. The latter, in many cases, is preferable. Prices should be supplied c.i.f. Colombo and, where this is impossible, general indications of freight charges should be provided or a c.i.f. price on alternative quantities. Prices should be based on costs at Canadian ports rather than at the factory. Connections in Ceylon should be informed of the variations which may apply to prices on goods shipped by the St. Lawrence route during the summer and from Halifax or Saint John during the winter months. Parcel post charges should also be supplied to local buyers in cases where certain lines are shipped by this route.

SELLING TERMS

Terms quoted to buyers or agents in Ceylon will conform, of course, to the usage in particular trades and even more to the standing of local connections. D/A business should be infrequent except in cases where a new line is being introduced to the market and where other conditions warrant. Letter of credit terms may in some instances be justified but owing to the length of time involved in the transportation of shipments to Colombo they should be accompanied by discounts slightly above the average. In general, shipments should be made on a basis of payment against documents at the time of receipt of drafts. This may be modified to permit of such payment at the time of the arrival of the shipment itself. Prices will naturally vary according to terms and it may be useful to provide buyers or agents with alternative quotations to be utilized according to particular circumstances.

DOCUMENTATION

Shipments to Ceylon will normally be covered by an invoice, bill of lading, and insurance certificate in duplicate. They may also be accompanied by a packing list, inspection certificates covering quality, stowage, etc., and by other papers according to particular circumstances.

Details shown on invoices and bills of lading should correspond precisely. The former are to be prepared in conventional style and should show all marks on packages, weight or quantity, true description of the goods, selling price, and true market values. They should also comprise a statement of the fact that shipments are of bona fide Canadian origin and production and that not less than fifty per cent of their declared value represents an expenditure on Empire material or labour costs. Specimens of declarations to be incorporated on invoices may be obtained from the Department of Trade and Commerce, Ottawa.

It is essential that all documents covering shipments to Ceylon should reach the consignees well in advance of the goods themselves. Unless this is assured, extra charges and similar difficulties are bound to result.

PACKING

Packing of shipments for Ceylon should be given careful attention. Low-priced native labour is used for handling cargo and the treatment of shipments is often rough and casual. Transshipment will be necessary in many instances with additional risks in the case of perishable or easily damaged consignments.

Fibre cases should not be used for shipment to Ceylon unless specifically ordered by consignees as they absorb so much moisture from Ceylon's humid

atmosphere that their protection would be of little value. The same applies to plywood containers unless strongly reinforced and proof against warping.

Goods subject to damage from heat and dampness should be packed in airtight tins, as in the case of confectionery, or in sound and tested outer containers.

The advice of representatives should be followed explicitly in these matters and experiments with alternative packings undertaken only with their consent.

MARKING

Marking should be clear and in English. Shipments should be easily identifiable and the marking on cases should conform to details on the bill of lading and invoice. Cases should, whenever possible, be marked so as to indicate that the goods are of Canadian origin as a means of facilitating representatives in obtaining preferential tariff treatment and also in extending knowledge and appreciation of Canadian goods in general.

ADVERTISING

The Ceylon market being a small one and, in the case of many Canadian products, one in which business by direct sales methods rather than through indent or similar systems is more common, advertising should in most cases be left to the discretion of local representatives or distributors. These will allot a portion of their profits or commissions to sales propaganda providing exporters make it clear, in their original offers, that no regular allowance can be made for this purpose. This policy generally proves a satisfactory one.

In instances where, apart from special discounts or allowances for advertising, the exporter is able to assist by providing free samples, literature, moving picture films, window displays, and similar material, particularly in promoting sales to the native population, the benefits will be of undoubted value.

Advertising policies should be thoroughly discussed with local connections from a viewpoint of the market for individual commodities, expense, technique, and participation in the outlay on any particular schemes. The native population is unusually susceptible to such propaganda and practical co-operation by an exporter with his Ceylon connections in matters of this kind is generally productive of positive results.

SHIPPING CONNECTIONS

Shipments to Ceylon, in most cases destined for the port of Colombo, may be routed direct via the Canada-India Line, whose agents are Messrs. McLean, Kennedy, Ltd., Coristine Building, Montreal, or by any of the transatlantic services for transshipment at United Kingdom ports, generally Liverpool or London. There are frequent services from the latter to Colombo. Exports from the Pacific coast may be routed direct by the Silver Java Pacific Line, whose agents are Messrs. Dingwall Cotts and Company, Pacific Fire Building, Vancouver, B.C., but the most frequent and speedy service will be by C.P.R. to Hongkong for transshipment to one of the many lines plying from that port to Colombo. Shipments from either seaboard will take approximately five to eight weeks to reach Colombo.

POSTAL SERVICE

Ceylon is a participant in the Empire air-mail scheme and all letters passing between the Colony and Canada will be carried by air. Ceylon mails are carried by a feeder service operating between Colombo and Karachi via Madras and Bombay. First class mails will normally reach Colombo from Canada by air in 14 to 18 days although during the winter months this time may be slightly longer.

Second class mails and parcels are normally routed from Canada to Ceylon by sea via United Kingdom ports and reach Colombo weekly. The time involved is approximately four weeks. Parcel service may at times be somewhat slower.

The attention of Canadian firms is directed to current rates of 6 cents per half ounce for all first class mails despatched to Ceylon.

SAMPLES AND ADVERTISING MATTER

Advertising matter, such as circulars, catalogues, show cards, and show plates are admitted into Ceylon free of duty. Such material should be clearly defined as advertising matter and shipments should be itemized in detail to avoid duty being charged on them as articles of commercial value.

Samples may be admissible free of duty or may be dutiable if of such a form as classes them as being of commercial value. Advice on the procedure of the customs authorities in this connection will be of value to exporters.

COMMERCIAL TRAVELLERS

Commercial travellers visiting Ceylon are liable to tax on any income earned during a stay in the Colony of one month or longer. On arrival in Ceylon visitors are required to estimate the probable length of their stay and, before leaving, declarations must be filed with the income tax authorities and payment of due amounts completed. These regulations do not apply, of course, to bona fide tourists in transit. Beyond the general rule that they must be in possession of valid passports no further requirements are made of commercial visitors to Ceylon.

PATENTS AND TRADE MARKS

Ceylon has in force up-to-date legislation governing the issue and registration of patents and trade marks and providing penalties for infringement. Information regarding these laws and regulations may be obtained from the Department of Trade and Commerce, Ottawa, or direct from the Registrar of Patents and the Registrar-General in Colombo.

GOVERNMENT CONTRACTS

The Ceylon government purchases large quantities of machinery, industrial equipment, and similar stores for use in the railways, public works, post and telegraph, and other departments. The bulk of such business is placed through the Crown Agents in London although in numerous instances other methods have been used in securing quotations and placing contracts. Canadian firms will be well advised, however, to have their representatives in the United Kingdom watch all calls for tenders issued by the Crown Agents on behalf of the Ceylon government as well as by their agents in Colombo.

MOTOR CAR INDUSTRY IN GREAT BRITAIN

C. B. BIRKETT, ASSISTANT TRADE COMMISSIONER

Liverpool, August 15, 1938.—There are at present 2,500,000 motor vehicles in use in the United Kingdom, of which 500,000 were built during the year ended September last. In vehicle and fuel tax their owners pay over £79,000,000 to the Exchequer in direct taxation, and the industry employs over 1,300,000 people, a number which has risen by about 75 per cent in the last fourteen years. The wages paid to all operatives, skilled and unskilled, engaged in the actual manufacture of motor vehicles and parts average £4 1s. 2d. per week.

FOREIGN TRADE

Britain's overseas trade in motor vehicles is of considerable importance to the industry. The values of imports and exports of new private motor cars during 1936 and 1937 are as follows:—

Imports of Motor Cars into the United Kingdom

From	1936	1937
Canada	£ 598,198	£ 458,144
Other British countries	1,059	2,031
France	48,926	75,584
United States	1,345,079	1,310,183
Other foreign countries	115,800	581,754
Total	£2,109,062	£2,427,696

Exports of Motor Cars from the United Kingdom

To	1936	1937
Eire	£ 305,569	£ 240,301
Channel Islands	149,073	132,615
Union of South Africa	723,261	714,134
British India	596,021	617,311
British Malaya	374,759	509,539
Ceylon	161,177	214,002
Australia	212,187	277,981
New Zealand	1,500,634	1,914,402
Other British countries	418,102	563,313
Denmark	220,133	237,736
Netherlands	69,951	51,032
Portugal	114,245	93,202
Spain	99,758	2,388
Other foreign countries	866,566	850,429
Total	£5,811,436	£6,418,385

As far as new private motor cars are concerned, the United Kingdom enjoys a favourable balance of trade of nearly £4,000,000. When all other items included under the head of the motor industry are taken into account this balance rises to over £14,000,000.

The imports reveal a downward trend in the value of receipts from Canada since 1935, in spite of a steadily increasing total from all countries. During the past five years the value of imports of Canadian cars rose from £183,072 in 1932 to £797,150 in 1935, but since that year has fallen to £458,144 in 1937. From January 1 to the end of June of this year purchases from Canada were to the value of £188,827, which compares with £298,559 during the corresponding period of last year.

Of interest also is the rather sudden increase during 1937 on the import value credited to "other foreign countries"—from £115,800 to £581,754. This increase is attributed in the main to an expansion in exports to Britain of low horse-power motor cars from Germany. That country, as a result, is listed separately in the 1938 statistics, and her share of the market, though still comparatively small, continues to grow. This development is causing some concern among British manufacturers. In spite of all imports from abroad, however, British motor manufacturers still retain 94 per cent of the home market.

HIGH LICENCE FEES

The sole item of the motor industry in Great Britain to show a shrinkage in sale and production is the motor cycle. The peak year for this vehicle was in 1929, when over 739,000 were in use. For the last three years the figures are: 1935, 521,128; 1936, 510,242; 1937, 491,718. This decline is explained by the increasing popularity of cheap low horse-powered motor cars. Nearly three-

fifths of the cars manufactured in the United Kingdom are rated at 10 horse-power or less, which is far below the average for other countries. The reason lies in the fact that motor taxation is based on horse-power. Furthermore, petrol is highly taxed, and, therefore, low consumption is an important factor in the sale of a car. The average tax per vehicle, including fuel tax, in the United Kingdom is estimated at no less than £27 7s. per annum.

COMPARATIVE PRODUCTION FIGURES

The United Kingdom's annual production of motor cars is still double that of her nearest competitor, Germany. The rate of increase, however, in Germany is faster than in Britain, and there are indications of further acceleration. The motor output in France is little more than stationary, and that of Italy is decreasing and small as far as private cars are concerned, although her military and commercial output is good. Italy built 65,000 cars in 1927, but only 48,000 in 1936.

FRESH BLUEBERRY MARKET CONDITIONS IN NEW YORK

W. D. WALLACE, OFFICE OF THE CANADIAN TRADE COMMISSIONER

New York, August 17, 1938.—Although there has been a fair demand for fresh blueberries in the New York wholesale market, supplies from local sources have not been as good as compared with those of 1937. Chain stores, hotels and restaurants have been the chief sources of demand for the medium and better grade berries, while the pie bakers have been taking the poorer grade berries, which they purchase at very low prices. The demand for New Jersey cultivated blueberries has been exceptionally good this year.

SOURCES OF SUPPLY

The principal sources of supply for fresh blueberries during the early part of the season have been the States of Pennsylvania, Delaware, Maryland, and New Jersey. The blueberries from these areas were considered only fair this year, weather conditions being adverse for good crops. The cultivated blueberries from New Jersey have been of good quality. Massachusetts blueberries were fair this season, but recent bad storms in that area have destroyed most of the crop, and shipments from that State to the New York market were reduced. Maine blueberries are now entering the market in large quantities and are reported to be of fair quality. Canadian blueberries from Nova Scotia and New Brunswick are a little later than usual this year, rainy weather having delayed the crops. However, blueberries from these areas have come into this market during the past week, and some wholesalers are expecting a few shipments from Quebec this week.

PRICES

The wholesale prices of fresh blueberries, following the general downward trend in prices of all fresh fruits and vegetables, are slightly below those for 1937. With large shipments of blueberries expected from Maine and Canada, the opinion of the trade is that prices may decline slightly. It is expected, however that the reported short crops in Canada may help to keep prices of Canadian blueberries at the present levels.

The wholesale prices per quart of fresh blueberries, delivered New York, up to August 16 are as follows: Pennsylvania, 7 to 14 cents; New Jersey, 5 to 13 cents; Massachusetts, 10 to 26 cents; Maine, 5 to 22 cents; New Brunswick, 13 to 20 cents; Nova Scotia, 10 to 25 cents.

Cultivated blueberries from New Jersey have had a good market this season and have ranged in price from 23 to 50 cents per quart and from 25 to 30 cents per pint.

Pennsylvania and New Jersey blueberries are considered to be about over for this season.

Early arrivals of Massachusetts blueberries sold mostly around 18 cents per quart, while later shipments were never below 20 cents and often brought as high as 26 cents for the best grade. The wholesalers show a preference for the Massachusetts blueberries, due to the fact that they are well packed and arrive on this market in excellent condition. Many packers in this state are now shipping only 24 quarts to the crate rather than the usual 32 quarts, and this method is finding favour with the wholesalers. As a result of the short crop, these blueberries are no longer being received on the New York market.

Maine blueberries have sold for as low as 5 cents per quart for the poorer grades and as high as 22 cents for the best quality. The present average market price is about 18 cents for the best grade.

Under present market conditions the trade does not look forward to an increase in the price of the northern blueberries, and unless an oversupply should arrive on the market, prices will remain at about their present levels.

CANADIAN SUPPLIES

Fresh blueberries from Nova Scotia have ranged in price from 10 to 14 cents per quart for the poorer grades, 15 to 20 cents for the medium grades, and 20 to 25 cents for the best quality. New Brunswick blueberries which entered the market during the past week sold for as low as 8 cents per quart for the poorer grades and as high as 15 to 20 cents for the best grade; present levels range from 13 to 17 cents.

Maine and Massachusetts blueberries are usually the two chief competitors of the Canadian product. However, due to the short crop in Massachusetts, Canadian berries will compete principally with those from Maine and will likely bring slightly higher prices than the latter.

DUTY

The United States customs duty on fresh blueberries imported from Canada is $1\frac{1}{4}$ cents per pound.

FEEDSTUFFS MARKET IN BELGIUM

MAURICE BÉLANGER, ASSISTANT TRADE COMMISSIONER

Brussels, August 17, 1938.—Feeding practices have improved to a considerable extent in Belgium in recent years. The Government have taken an active interest in the welfare of the agricultural population, and commissions have been appointed at various times to study methods of improving the quality of dairy and meat products. The education of farmers in proper feeding methods forms part of the program advocated, and some improvement has been noted, particularly in the feeding of pigs, in which Belgian farmers were especially backward. There is still much to be done in this direction, however, and farmers are not as a rule sufficiently well informed in the matter of the real nutritive value of various feeds. They are more apt to buy according to local prejudice and individual preferences, than on a scientific basis of nutritive value.

The demand for any special imported animal feed in Belgium cannot be ascertained with any degree of accuracy. In addition to fluctuations caused from year to year by changes in the trend of feeding practices, there are other

factors which influence the demand, the most important by far being that of price in relation to the purchasing power of various classes of the agricultural population. As an example, some five years ago the accumulation and strengthening of import restrictions in foreign markets, and more especially a practical embargo in France against foreign eggs, caused a serious drop in the price of eggs in Belgium, producers depending to a large extent on foreign markets for the sale of their produce. A noticeable falling off in imports of poultry feeds resulted, particularly of the more expensive types. Cheaper substitutes were sought, and there was a tendency among poultry breeders to replace imported feedstuffs with local products selling at a lower price.

In order to gauge the extent of the demand for imported feedstuffs an effort has been made, in the following pages, to give as accurate an idea as possible of the animal population to be fed, of the Belgian production of feedstuffs, both natural and manufactured, and of the trend and volume of imports, with particular emphasis on the products which may be imported from Canada.

LIVE-STOCK CENSUS

Belgian statistics are not complete as regards the number of domestic animals in the country. There is no census made of sheep, and the estimate of the number of horses is only concerned with those used in agriculture. The figures for cattle, fowl, and pigs are more reliable. The following notes, based on figures for December 31, 1937, give some idea of the importance of live stock in the country at the present time. In view of the fact that Belgium is a highly industrialized country with a dense population and restricted territory, these figures may be found surprisingly high.

Horses.—At the end of 1937 there were 264,464 horses in use for farm work as compared to 233,289 in 1933. Of these, 187,233 were at that date over three years old. In addition to this, a fairly large number of horses are used for cartage and similar work, especially at the port of Antwerp and other ports. The number of horses used in the army has been decreasing steadily and is now relatively small, due to the almost complete mechanization of the army. There is also an important horse-breeding industry which exports horses of the heavy Brabant strain for breeding and the improvement of stock in various countries.

Horn Cattle.—The total number of cattle on farms at the end of 1937 was 1,710,037, of which 1,046,825 were over two years old. This last figure included 971,627 dairy cows, the rest being fattened stock, work oxen, and bulls. The total was slightly higher at 1,813,000 in 1933.

Pigs.—The total number of pigs was 871,556 at the end of 1937 as compared to 1,353,000 in 1933. This drastic decline is due mostly to the prevalence of hoof and mouth disease and hog pest. These affected practically all pigs to such an extent that for a long time they could only be fed with bran soaked in water. In the past few months the disease has waned and the situation is much improved.

Sheep.—There are comparatively few sheep in Belgium, and most of the mutton consumed is imported, principally from Holland. There are no statistics or estimates published of the number of sheep on farms, but the question of sheep feed is relatively unimportant.

Poultry.—Poultry raising is an important phase of Belgian agriculture. Eggs and chickens for the table are produced in large quantities and exported to a considerable extent. No statistics are kept of chickens and other fowl, but it is estimated that their number has decreased somewhat in the last few years because of reduced hatching due to poor returns.

PASTURAGE

The total area of grazing lands in Belgium is estimated at 1,128,276 acres. It is a general practice to allow live stock to graze in orchards, the area of

which is in the neighbourhood of 187,700 acres. The area of harvested grass lands is 641,000 acres. This total of roughly 1,957,000 acres is about one-third of the total agricultural area of Belgium. The Herve plateau in the south-eastern part of Belgium is the central area for stock raising and is almost exclusively devoted to grazing.

HAY

The total production of grass fodder in Belgium in 1937 is estimated at 1,672,180 metric tons (1,842,632 short tons). Of this about 70 per cent was meadow hay and the remainder mostly red clover (311,400 metric tons), other clover and lucerne. The average yield per acre for meadow hay was around two tons.

The consumption of hay is decreasing from year to year due to a considerable falling-off in the number of cart-horses and to motorization of the army. The local supply, however, is not sufficient to meet even this curtailed demand, and foreign hay is imported every year in varying quantities, depending on the size of the local crop.

IMPORTS

The following table shows imports of hay and other grass fodder into Belgium, in 1936 and 1937, with main sources of supply:—

Belgian Imports of Hay and Other Grass Fodder

	1936 M. Tons	1937 M. Tons
Holland.. . . .	162,690	184,092
Argentina.. . . .	4,011	6,294
France.. . . .	2,818	46,360
Ireland.. . . .	....	1,196
Others.. . . .	2,980	1,508
Total.. . . .	172,399	239,450

There seems to be a marked preference in the trade for Netherlands hay, which is quite similar to Belgian hay. Holland is also favoured by reason of its proximity to Belgium. This is a great advantage in shipping such a bulky product where freight costs are an important item in the landed price. Imports from Holland, however, are not nearly as large as statistics indicate, as considerable quantities of Scandinavian hay, especially Norwegian, are imported through Holland and credited to the latter country. Supplies from other sources vary considerably from year to year, depending on the quantity available from Holland and the size of the crop in other supplying countries. Norwegian and Finnish hay is imported when conditions warrant and is well liked because of its high clover content and despite its higher price.

Canadian hay, when available at a competitive price, is generally well received, and the grade usually in demand is No. 1 extra—75 per cent timothy and 25 per cent clover. The fact that offers of Canadian hay are not made regularly and that supplies are not always available to fill repeat orders has undoubtedly had an adverse effect on the volume of sales. The leading importers at Antwerp are fairly conversant with Canadian grades and quality and may be counted upon to give due consideration to offers from Canadian firms. They contend, however, that, due to higher freight costs, Canadian hay is usually too high in price.

DOMESTIC CROP PROSPECTS

Despite poor prospects in the early part of the year and a short first crop due to drought, it is not expected in the trade that this year's crop will be much below normal, as the later crops are expected to be large. In any case, regardless of the size of the crop, imports are never entirely excluded and there should be at least a normal demand for foreign hay during the coming season.

PRICES

Offers have not yet been received for the new crop, but prices are expected from Norway and Finland before the end of August. Prices of local hay vary considerably in different localities, due to transportation costs and wide differences in quality. At present Belgian hay is quoted in the larger centres at around 460 francs per metric ton (of 2,204 pounds), delivered. The trade is of the opinion that in order to be competitive, Canadian hay would have to be offered at 480 francs (\$15.75) per metric ton c.i.f. Antwerp.

Imported hay is preferred in small bales weighing from 50 to 60 kilograms (up to 130 pounds); larger bales are not favoured because of their bulk and the difficulty of handling them.

DUTIES

Foreign hay is admitted into Belgium duty free but is subject to a transmission (sales) tax of 5 per cent. No certificate of origin or other special documents are required.

Canadian firms desirous of entering the Belgian market are invited to send small representative samples (about 10 pounds) of f.a.q. No. 1 or 2 mixed timothy and clover to the office of the Canadian Trade Commissioner at Brussels for transmission to interested importers. Great care should be taken that any samples sent truly represent the quality to be shipped eventually.

There is no demand for imported straw, as the local supply is sufficient to cover requirements.

ALFALFA MEAL

The production of lucerne (alfalfa) in Belgium is not large and was estimated in 1937 at 49,350 metric tons. Alfalfa meal is not listed separately in import statistics, but fairly large quantities are imported regularly from Argentina, with occasional shipments from South Africa. Imports shown in the foregoing table as originating in Argentina are reported to be made up exclusively of alfalfa.

In order to appeal to Belgian buyers, the meal must be bright in colour, as they consider that a bright green meal has greater nutritive value than meal of a darker shade. It should be clean and finely ground, with a minimum guaranteed protein content of 14 per cent and a maximum fibre content of 25 per cent. An analysis is in some cases required. Packing is usually in new 50-kilo (110-pounds) bags.

Canadian alfalfa meal could no doubt be sold in Belgium if offered at the same prices as Argentine meal of equivalent quality. There is no duty, but alfalfa is subject to a transmission (sales) tax of 5 per cent, regardless of origin. A number of local importing firms would be interested in receiving c.i.f. prices and samples of the new crop from Canada.

FODDER BEET AND OTHER ROOT CROPS

The production of fodder beet in Belgium has a considerable influence on the demand for composite feeds. The crop is a large one and amounted in 1937 to 5,626,000 metric tons. The average yield per acre was estimated at around 30 tons, which is by far the largest yield for any crop in this country.

The total crop of turnips last year was estimated at 2,920,000 metric tons. Other fodder root crops are not important.

Despite a large beet sugar industry, the production of dried sugar beet residue is not large. This is due mostly to the fact that fresh fodder beet is available at low prices. Dried pulp is imported in small quantities from Holland, Poland, and Czechoslovakia, and fresh pulp from Belgian mills is also used to some extent.

OATS

The total production of oats in Belgium in 1937 amounted to 520,000 tons, a relatively small crop. Total requirements were estimated a few years ago at around 850,000 tons, but no recent estimate has been published, and requirements are now said to be much lower.

Oats are used almost exclusively for the feeding of horses, with small quantities required for special breads, rolled oats (which are manufactured to a limited extent), and poultry feed. The reduction in the number of cart-horses and army mounts has affected the consumption of oats.

IMPORTS

Total imports of oats in 1937 amounted to 46,362 metric tons, the bulk of which (36,000 tons) was supplied by Argentina, Holland (7,830 tons), and Poland (1,781 tons). Argentine and Chilean oats are purchased on the basis of fair average quality at time and place of shipment, while Polish oats are bought by sample. Canadian grades are known in the trade, Western Nos. 1 and 2 being preferred.

DUTIES

There are no import restrictions on oats, but they are subject to duty at the rate of 24.15 francs per 100 kilograms (\$0.40 per 100 pounds), except on oats imported under regulations for the manufacture of rolled oats, on which the duty is 10 francs per 100 kilograms. There is a transmission (sales) tax of 5 per cent of the duty-paid value.

This year's crop of oats promises to be much larger than last year's, the yield per hectare (2.4 acres) being expected, according to present indications, to reach 30 quintals (of 220 pounds) as compared to an average yield last year of 24.64 quintals. Imports will no doubt be much lower than last year.

BARLEY

The total Belgian crop of barley in 1937 was estimated at 59,640 metric tons for winter barley and 25,900 tons for the summer variety. Domestic barley is used both for brewing and feeding, the proportions used depending on the average quality of the crop; normally about two-thirds of production is feeding barley and one-third brewing barley. This production is much below requirements, and large quantities are imported, the bulk of the trade being in feeding barley.

IMPORTS

Imports in 1936 and 1937 were 458,763 and 463,010 metric tons, respectively, with main supplying countries, as follows:—

Belgian Imports of Barley

	1936	1937
	M. Tons	M. Tons
Total..	458,763	463,010
Denmark..	17,690	44,041
Latvia..	4,671	....
Holland..	25,752	30,429
Poland-Dantzig..	239,498	134,052
Roumania..	42,652	24,552
Czechoslovakia..	19,263	2,232
Turkey..	730	20,027
Russia..	40,698	55,479
Irak..	7,473	27,597
Argentina..	13,112	49,145
Chile..	17,218	10,585
Australia..	10,735	4,458
Canada..	2,602	25,098

Barley enters Belgium duty free, but is subject to a system of import licences. There is no restriction on the quantity allowed to be imported from any country. The transmission (sales) tax on imported barley amounts to 5 per cent of the c.i.f. value. The Canadian grades imported are usually Nos. 3 and 4 f.a.q.; Canadian barley is well regarded.

The present crop is expected to be considerably larger than last year's, the estimated yields being 29 quintals and 27 quintals respectively for winter barley and summer barley, as compared to 26 and 22 quintals per hectare last year. The area sown is about the same.

RYE

The crop of rye in 1937 was estimated at 345,020 metric tons, and imports in the same year amounted to 48,623 metric tons compared with 138,101 tons in 1936. The following table shows the main supplying countries:—

Belgian Imports of Rye

	1936 M. Tons	1937 M. Tons
Total..	138,101	48,623
Lithuania	9,271	....
Holland.	506	9,269
Poland-Dantzig.	80,698	4,529
Russia.	24,890	7,749
Argentina.	13,243	2,413
Canada.	7,761	10,789

Rye is used almost exclusively for animal feed, consumption for bread-making not exceeding 10 per cent of total requirements. Imported rye is purchased on an f.a.q. basis, and Canadian rye is in good demand.

Imports of rye are restricted by quotas, but there is no tax at present on import licences. There is no duty, but a transmission (sales) tax of 5 per cent of the c.i.f. value.

The total quota is determined annually on the basis of imports in the period June 18, 1934, to June 18, 1935. It is apportioned among the various importers, according to the extent of their share in the trade during that period.

MAIZE

The production of maize in Belgium is negligible and is not shown in agricultural statistics. Imports, however, are important, amounting in 1936 and 1937 to 925,493 metric tons and 914,333 metric tons respectively. Practically all the maize imported is from Argentina, with small quantities from the Belgian Congo and Holland. Of the total quantity consumed, over 90 per cent is used for chicken feed and less than 10 per cent in the starch, distilling, and oil industries.

Maize is imported duty free, but the transmission (sales) tax amounts to 5 per cent of the c.i.f. value. There are no quota restrictions or import licences on feeding maize.

BUCKWHEAT

In Belgium buckwheat is used exclusively for poultry feeding. There is no domestic production, and all requirements must be imported. Annual imports vary according to the relative price of various poultry foods. In 1936 a total of 12,216 metric tons were imported as compared to 7,590 tons in 1937. Poland is the chief supplying country, but Manchukuo, Canada, Holland, the United States, France, and British India also participate to some extent. Imports from Canada mounted to 218 metric tons in 1936 and to 1,000 tons in 1937.

A fair average quality grain, cool, dry and in sound condition is required, and packing in 100-pound bags is suitable.

There is no duty on buckwheat and no quota restrictions. A transmission (sales) tax of 5 per cent is levied based on the c.i.f. value.

MANUFACTURED FEEDS

The manufacture of oilcake and other composite feeds is not highly developed in Belgium, and the production of fish meal, and of meat and meat-and-bone meal is even more restricted. Imports of all these are quite large, and Canada participates in this trade to a certain extent. There are in all some twelve manufacturers of composite feeds in Belgium, but their total production does not represent a very high percentage of the country's requirements.

FISH MEAL

There is a good demand for fish meal in Belgium, it being used almost exclusively as poultry food. Imports have had a tendency to decrease in the past few years, however, due to a falling-off in the production of eggs. As an indication of this decline it may be noted that exports of eggs have decreased from 622 millions in 1932 to 210 millions in 1937. This is due mostly to import restrictions in various foreign markets.

The number of fowl in Belgium is decreasing, hatching having been reduced in most areas, as the price of feed is considered to have increased in the last few years out of all proportion to the slight increase in the price of eggs. Consumption of fish meal is reported to have fallen by about 35 per cent in the last few months of 1937 and to have remained at the same low level in 1938.

TYPES OF FISH MEAL IMPORTED

The leading varieties imported for feeding are herring meal, whitefish meal (including cod), pilchard meal, sardine meal and greyfish meal. Herring meal is obtained mostly from Norway; whitefish meal from Norway, the United Kingdom, Sweden, Canada and the United States; pilchard meal from the United States and Canada; sardine meal from Japan, the United States and Portugal; and greyfish meal from the United States and Canada. Some interest has developed lately in finely ground salmon meal, but the price obtained was somewhat low. The best quality of whitefish meal comes from England and the best "average quality" from Canada. There is usually a good demand for a fine grade of whitefish meal low in oil and salt content, and importers are of the opinion that if Canadian shippers could offer this at a competitive price, a good volume of business could be obtained.

It is reported at the present time there is not much fish meal on the market, that offers are scarce, and that, despite an indifferent demand, prices remain steady. Norwegian producers are said to have disposed of their whole output to Germany and to have no spot stocks, and it is stated that about 800 tons of Icelandic meal have been sold for future delivery up to the present. A considerable improvement has been noted in the quality of Japanese sardine meal, which is becoming an important factor in the trade.

Fish meal for feeding imported into Belgium contains between 60 and 70 per cent protein, from 6 to 10 per cent oil (except whitefish meal, which usually does not exceed 4 per cent oil), and a salt content as low as possible. Meal containing less than 60 per cent protein is of little interest to this market.

PRICES

There is no point in quoting present prices, as these vary considerably and would be out of date by the time this report is published. As an indication, Ice-

landic herring meal, 65 to 70 per cent protein, 10 per cent fat and 2 to 3 per cent salt, has been offered at from £10 12s. 6d. to £10 15s. per metric ton (of 2,204 pounds). The cheapest variety on the market is Japanese sardine meal, which has been quoted at from £10 2s. 6d. to £10 5s. The office of the Canadian Trade Commissioner at Brussels is in close touch with the leading importers and will transmit to them any offers from Canadian firms. These should be in United States or Canadian dollars per ton of 2,240 pounds, packed in new or sound second-hand bags (about 100 to 110 pounds), and on a c.i.f. Antwerp basis, including insurance against spontaneous combustion and ships' sweat, but war risk premium, if any, for buyer's account.

Local importers usually buy for their own account, and there is practically no consignment business. Payments are made cash against documents on arrival of steamer. Importers buy on the basis of sample and analysis, and standard contracts are used with the exception that local firms usually insist on the waiving of the "subject to production" clause. The buying season is in the winter months, from October to March.

DUTIES

There is no duty on fish meal but it is subject on importation to a transmission (sales) tax of 2·5 per cent. There are no import restrictions or special documentary requirements.

FISH OIL

The only fish oil used for poultry feeding in Belgium is cod liver oil, veterinary quality, with a maximum of 1 per cent free fatty acids. This oil is imported mostly from Norway and, to a limited extent, from the United Kingdom.

Importers purchase for their own account and usually pay cash against documents on arrival of steamer. Sales are made on sample taken from bulk, and the analysis of a leading Antwerp chemist is generally accepted by both seller and buyer. Packing is in wooden barrels or metal drums. Fish oil is imported duty free but subject to a transmission (sales) tax of 2·5 per cent.

Offers from Canada, accompanied by samples and record of analysis may be submitted to leading importers through the Office of the Canadian Trade Commissioner, who will also send, on request, a list of importers to Canadian shippers interested in this market.

CRUSHED OYSTER SHELL

There is no local production of crushed oyster shell. Imports of this product are not listed separately in Belgian statistics, but are estimated to average about 3,000 tons a year. The main sources of supply are the United States, Holland and Portugal. The bulk of the imports is received in the winter months.

The grades required are "medium," "pullet," "chick" and "flour," the first two being in greater demand. The product must be carefully screened and free from dust and is usually packed in new or sound second-hand bags of 50 kilograms net weight (about 110 pounds). Importers buy for their own account and usually pay cash against documents. A list of importers will be supplied on request, and offers c.i.f. Antwerp, accompanied by samples, will be submitted to the leading Antwerp firms.

There is no duty on imported crushed oyster shell, and the transmission (sales) tax is 2·5 per cent of the c.i.f. value.

OILCAKE AND MEAL

There is a good demand in Belgium for oilcake and meal, the leading import item being linseed oilcake and meal. The United States is the chief supplying country, while small quantities are imported irregularly from Brazil, Argentina, Russia, British India, Holland, and Canada.

Imports in 1937 and for the first five months of 1938 were as follows:—

Belgian Imports of Oilcake and Meal

Countries	1937	Jan.-May 1938
	M. Tons	M. Tons
United States.. . . .	154,282	53,442
Brazil.. . . .	6,592	1,519
Argentina.. . . .	2,540	476
Russia.. . . .	1,702	.....
Others.. . . .	2,525	2,981
Total.. . . .	167,641	58,418

The following varieties, with figures and chief sources of supply for 1937, are also imported in fairly large quantities:—

Groundnut.—Total, 59,322 tons: France (32,215), British India (13,415), and Argentina (6,451).

Copra.—Total 55,355 tons: Ceylon (23,285), Dutch East Indies (11,822), and British India (10,567).

Cotton.—Total, 21,267 tons: Brazil (10,401), Argentina (6,569), and the Belgian Congo (1,105).

Palm Kernel.—Total, 15,432 tons: Denmark (3,580), France (2,728), Holland (2,027), and Poland (2,262).

Soya Bean.—Total, 13,597 tons: Denmark (5,423), Sweden (3,562), Manchukuo (2,611), and the United States (1,141).

It is expected that this year's imports of oilcake and meal will be lower by 35 or 40 per cent as compared to 1937, due to the prevalence of hoof and mouth disease and the fact that certain other feeds are found to be comparatively cheaper. Domestic production, which is reported to be on the increase, would also seem to have become more of a factor, although a good part is exported to France under quota agreements in exchange for groundnut cake.

The general demand in linseed cake and meal is for a good merchantable quality, 40 per cent protein and oil combined in proportions of 5 to 6 per cent fat and 9 to 10 per cent moisture.

Importers purchase for their own account and pay cash against documents on arrival of steamer.

DUTIES AND PRICES

There is no duty on oilcake and meal, and the transmission (sales) tax is 2.5 per cent of the c.i.f. value.

Recent quotations c.i.f. Antwerp for spot United States linseed cake were around 120 francs per 100 kilograms.

MARKET PROSPECTS

Prospects for an increase in purchases of imported feedstuffs are not particularly good. A continued improvement in the health of live stock and better prices for certain produce would no doubt result in an increased consumption of feed, but this is expected to be offset by much larger crops of coarse grains and feeding roots as compared to last year. The curtailment of linseed cake and meal production in the United States, which is reported to be due to an accumulation of stocks of linseed oil, may create a demand for cake and meal from other sources, and the scarcity of offers in fish meal from Scandinavian countries, which has been in evidence for some time, may afford a better opportunity for Canadian suppliers to compete.

Canadian firms are invited to submit offers to the Office of the Canadian Trade Commissioner for any items in which they feel they can compete.

WHEAT AND FLOUR TRADE REGULATION IN SWEDEN

RICHARD GREW, CANADIAN TRADE COMMISSIONER

Oslo, August 1, 1938.—There have been no changes in the regulations governing the wheat and flour trade in Sweden since the publication of a previous report on this subject in *Commercial Intelligence Journal* No. 1760 (October 23, 1937). As mentioned in that report, control of the grain trade is in the hands of the Swedish Grain Company which makes a new contract with the Government covering the period September 1 of the current year to August 31 of the next year. Thus the regulations as embodied in the contract with the Swedish Grain Company, and which were outlined in the previous report, are still in force. While the new contract—from September 1, 1938, to August 31, 1939—has not yet been signed, it is known that only minor alterations are to be made in the existing contract. The remainder of this report, therefore, will follow more or less along the lines of the previous one, except that reference will be made to anticipated changes in the new contract.

WHEAT

Imports of wheat into Sweden are subject to customs duties, milling taxes, mixing regulations and an import licensing system. All these restrictions are incident to the grain control system, which has been evolved over a period of years for the protection and support of the Swedish grain growers.

CUSTOMS DUTIES

The importation of wheat has been subject to a customs duty since 1888, and in 1895 the duty was fixed at 3.70 kronor per 100 kilos, which is the equivalent of about 26.25 cents per bushel in Canadian currency at the present rate of exchange. Except during the war years, when the trade in wheat was free of all duties, and a period between 1920 and 1922, when a sliding scale of duties was in force, the rate of 3.70 kronor per 100 kilos has been in effect.

A slight modification was introduced in 1926, whereby exporters of Swedish wheat were issued certificates of export stating the amount of wheat which they had exported from the country. This certificate, upon presentation to the customs authorities, enabled the exporter to import a like quantity of foreign wheat duty free, or to receive in cash an amount equal to the corresponding duty. Under an amendment to this regulation in 1937, which is still in force, a shipper who exports a certain quantity of Swedish wheat is permitted to import duty free only half that quantity of foreign wheat.

MILLING TAXES

Foreign wheat milled in Sweden and used for the production of flour or groats is subject to a milling tax of 2.50 kronor per 100 kilos net weight, 1, 1935, but at the same time the previous import tax of 5 kronor per 100 kilos, which amounts to about 17.75 cents per bushel in Canadian currency. This tax, which is also applicable to domestic wheat, came into force on September levied in addition to the customs duty, was abolished. The milling tax is collected by the Government Agricultural Committee, and the proceeds are used to defray expenses incident to the grain control system.

MILLING REGULATIONS

On June 13, 1930, the Swedish Government passed what is known as the Milling Resolution. This resolution (No. 249) came into force on September 1,

1930, and provided that all wheat and rye used in the production of flour must include a certain percentage of Swedish wheat and rye. This percentage, known as the "milling percentage," is fixed periodically by decree and at present stands at 90 for both wheat and rye. This means that, of the total amount of wheat or rye consumed by any given mill, 90 per cent must be of domestic origin and only 10 per cent of foreign wheat or rye.

It is provided, however, that while the total amount of wheat used must conform to the milling percentage, any given quantity milled may include a smaller percentage of domestic wheat. This smaller percentage is known as the "minimum percentage." At present this stands at 80 for wheat; there is no "minimum percentage" for rye.

The basic resolution states that these percentages must be fixed for each milling period in such a way that Swedish wheat and rye suitable for bread-making may be consumed within the year. In order to ensure the production of average good quality bread, however, the resolution provides that the milling percentage must not be too high for any given milling period.

In the following table are given the milling and minimum percentages that have been fixed for wheat from time to time since September 1, 1930:—

Year	Milling Period	Milling Percentage for Wheat	Minimum Percentage for Wheat
1930	Sept. 1 to Oct. 31	60	40
	Nov. 1 to Dec. 31	75	50
1931	Jan. 1 to Feb. 28	80	55
	Mar. 1 to July 31	85	60
	Aug. 1 to Sept. 30	80	55
	Oct. 1 to Nov. 30	70	55
	Dec. 1 to Dec. 31	60	50
1932	Jan. 1 to May 31	60	50
	June 1 to June 30	50	45
	July 1 to Aug. 31	60	50
	Sept. 1 to Sept. 16	80	60
	Sept. 17 to Oct. 15	85	65
	Oct. 16 to Dec. 31	90	70
1933	Jan. 1 to May 31	95	80
	June 1 to Dec. 31	98	80
1934	Jan. 1 to April 30	98	80
	May 1 to June 30	100	80
	July 1 to Dec. 31	100	85
1935	Jan. 1 to Aug. 31	100	85
	Sept. 1 to Dec. 31	90	80
1936	Jan. 1 to Aug. 31	90	80
	Sept. 1 to Oct. 31	90	80
	Nov. 1 to Dec. 31	90	80
	Jan. 1 to Jan. 31	90	80
1937	Feb. 1 to June 30	80	80
	July 1 to Aug. 31	90	80
	Sept. 1 to Oct. 31	90	80
	Nov. 1 to Dec. 31	90	80
	Jan. 1 to Jan. 31	90	80
1938	Jan. 1 to Feb. 28	90	80
	March 1 to April 30	90	80
	May 1 to June 30	90	80
	July 1 to Aug. 31	90	80

The regulations outlined above comprise the most important protective measures in the Swedish grain control system. The milling percentages have tended to increase since the regulations came into force, which reflects the increase in the production of domestic bread grains.

IMPORT LICENSING SYSTEM

The importation of wheat (also rye or mixtures of wheat or rye or wheaten groats) into Sweden was formerly regulated by the Swedish Government, acting in co-operation with a group of mills known as the Swedish Grain Association. Under contract with the Government, the association had the monopoly for the

importation of grain and flour, with the power to delegate its functions to individual millers and importers. In practice the mills did the actual buying of foreign wheat, and importers bought the foreign flour when import was possible, but the transaction was controlled by the association.

This arrangement was terminated on September 1, 1935, and was superseded by the present import licensing system. A licensing body, known as the Government Board of Agriculture, was established, to which all importers must now apply for import permits. These are granted freely when the board is satisfied that the milling regulations are being complied with, but the board has power to withhold licences at any time.

FLOUR

The regulations governing the importation of flour into Sweden are more drastic than those applying to wheat imports. The duty levied against the importation of flour is 6.50 kronor per bag of 100 kilos, or approximately \$1.69 per bag of 220 pounds in Canadian currency. There is also an import tax of 4 kronor per 100 kilos, or about \$1.04 per 220 pounds in Canadian currency, the proceeds of which are used to defray the expenses of the grain control system.

According to Decree No. 249 of June 13, 1930, any person who imports wheat flour into Sweden must, while the flour is still in the custody of the customs authorities, cause flour of Swedish wheat to be mixed therewith so that the Swedish flour shall correspond, on the average, to the milling percentage in force and be not less than the prescribed minimum percentage in respect to any part of the consignment. The terms "milling percentage" and "minimum percentage" have been explained in the section of this report dealing with wheat. As applied to flour, the minimum percentage is available for imports over short periods or for special lots, but in such cases importers must take correspondingly less foreign flour for other lots, so that the average corresponds to the milling percentage in force for the milling period.

The Government Board of Agriculture also exercises supervision over the importation of flour, as well as wheat, by means of an import licensing system which has resulted in an almost complete cessation of flour imports, as shown by the import statistics which appear later in this report.

GRAIN CONTROL SYSTEM

The Swedish grain control system was revised in 1935, and on September 1 of that year a new system came into operation. The Swedish Grain Association was dissolved, and its contract with the Government was cancelled. In its place, a new organization, known as the Swedish Grain Company, was formed to take over the functions of the Grain Association. This new organization is a joint stock company with a capitalization of 5,000,000 kronor (about \$1,300,000 in Canadian currency). (In the report for 1937, it was stated that the capital was 10,000,000 kronor, but it has been ascertained that the above-mentioned figure is correct.) All the shares (each of which is valued at 100 kronor) except five, are held by the Government, which appoints the Board of Directors. The activities of the company are controlled partly by Government regulations and partly by the annual contract which remains in force from September 1 of the current year to August 31 of the following year.

The most recent contract, which came into force on September 1, 1937, does not differ in its main essentials from the two previous contracts for the periods September 1, 1935, to August 31, 1936, and September 1, 1936, to August 31, 1937.

EMERGENCY GRAIN STOCK

The chief provisions of this contract are that the company agrees to store for the account of the Government 100,000 metric tons of bread grain of good milling quality as an emergency stock, 70 per cent of which is wheat and 30 per cent rye. Although it is stated in the contract that the emergency stock must not be reduced, the company may sell grain from this stock provided it purchases or has purchased a like amount of bread grain of good millable quality corresponding to the amount sold. If market conditions are such that the company does not consider it expedient to re-purchase at any given time, the question must be submitted to the Government. When the report for 1937 was written, the emergency stock consisted of 85,000 tons, but at present the entire 100,000 tons is held.

DOMESTIC BREAD GRAINS

The company also agrees to purchase and sell domestic grains on suitable occasions and at prices fixed so that the cost of bread to the consumer is not unduly enhanced. Purchases and sales of domestic grains by the company are subject to the quality requirements and price regulating scales for different qualities which are issued by the Government Board of Agriculture. Without permission from the Government the company is not permitted to sell Swedish wheat or rye at prices lower than the market price at the time of sale. At present the market price of Swedish wheat is 22 kronor per 100 kilos (approximately \$1.56 per bushel in Canadian currency) as compared to 20 kronor per 100 kilos (\$1.42 per bushel) a year ago. A Government regulation fixes the minimum price, below which the price of wheat must not fall. In the 1937 report, the minimum was given as 16 kronor per 100 kilos (about \$1.13 per bushel in Canadian currency). The minimum for the new contract, which will become effective from September 1 next, has been fixed at 16.50 kronor per 100 kilos (about \$1.17 per bushel in Canadian currency). This minimum price is to be gradually increased until it reaches 18 kronor per 100 kilos (about \$1.28 per bushel in Canadian currency) during the last few months that the new contract will be in force. As a result of this new regulation, and the present market price, the company has not been active in the purchase of Swedish wheat, and as long as the price does not fall to the fixed minimum, there is little likelihood that the company will enter the market to support the price.

BREAD GRAIN STOCK

With the view of supporting the price of bread grain on the home market, the company is pledged to purchase, store and sell bread grains. Its activities must be limited, however, so that the amount of grain thus purchased does not exceed 125,000 tons after the quantity which it is incumbent upon the company to purchase according to the regulations concerning the emergency stock has been deducted.

According to figures recently obtained, the quantity of bread grains in store in Sweden on June 30, 1938, was as follows:—

Crop year	Winter wheat Figures	Spring wheat in metric tons	Rye in metric tons
1935..	700	....	....
1936..	5,950	378	11,500
1937..	59,280	....	24,000
Total..	65,930	378	25,500

In order to defray expenses of operation, the company is granted an annual subsidy, the amount of which is fixed each year. In return, the company must remit to the Treasury the total sum received as the result of grain sales after the total outlay in connection with the re-purchase of grain and the general working expenses of the company have been deducted.

PREVIOUS SYSTEM

The grain control system as outlined above, differs in some important particulars from the previous system which was in force from September, 1930, to September, 1935. Under the previous system, the Swedish Grain Association was bound by contract to purchase all the good quality domestic wheat and rye offered for sale between June 1 and July 31 of each year at prices fixed by the Government. Also, the association possessed an import monopoly for bread grains and flour. The present company has no import monopoly, and a system of protective purchases has replaced the fixed price system.

IMPORTS OF WHEAT

The following table shows the quantities of wheat imported into Sweden from 1930 to 1937 inclusive, together with countries of shipment until 1935 and countries of origin in 1936 and 1937.

It will be noted that in 1933 a sharp drop occurred in the quantity imported, and since then the amount has remained fairly stable. During the past five years the imports have averaged approximately 49,000 tons. For the three years prior to 1933, imports averaged 156,000 tons. Thus there has been an average decline of about 107,000 tons per year between the two periods.

Imports of Wheat into Sweden (by Principal Countries)

	1930	1931	1932	1933	1934	1935	1936	1937
	Figures in Metric Tons of 2,204 Pounds							
Total.. . . .	175,785	122,327	170,775	53,036	45,861	42,602	48,714	50,349
Denmark.. . . .	14,136	6,107	4,999	2,108	5,821	6,673	92	....
Soviet Russia.. . .	4,091	5,521	2,508	....	842	180	....	....
Germany	29,045	13,492	21,361	3,542	1,748	125	....	....
Netherlands	430	3,037	2,551	727	1,768	3,722	....	....
Belgium.. . . .	....	....	301	....	....	1,831	....	....
Great Britain.. . .	4,355	288	2,695	589	1,199	270	....	....
France.. . . .	4,329	....	1,724	....	....	....	....	....
B. N. America . . .	44,790	38,838	55,070	19,584	6,295	2,482	35,275	33,290
United States.. . .	53,433	52,500	43,984	24,908	27,093	26,819	11,700	7,286
Argentina.. . . .	19,027	2,543	24,242	903	1,095	498	1,646	9,771
Australia	444	....	11,314	675	....	....	....	....

The explanation of the drastic decline in wheat imports can be found in the increased production of domestic wheat. This additional quantity resulted in a surplus, and as the domestic price of wheat was being maintained well above world prices, it was necessary to curtail imports to types required for mixing with the soft Swedish wheat.

As the import figures indicate, the United States and Canada have been the principal countries of supply. In fact, the wheat credited to the United States is probably of Canadian origin, as until last year the United States has had no exportable surplus, and in addition, in order to obtain the proper type of flour, a hard wheat, such as is produced in Canada, is required to mix with the soft wheat produced in Sweden.

Owing to the policy adopted by the Swedish authorities to foster the cultivation of domestic wheat, the point has been reached where production now is greater than consumption, and in the past two years the problem of finding export outlets has been an important one.

When the 1937 report was written, it was estimated that Sweden would have an exportable surplus of approximately 100,000 tons. This estimate, however, proved too high, and the actual surplus from the 1937 crop amounted to 70,000 tons. It was anticipated that difficulties would be met in disposing of this surplus in other markets. Owing to the clearing agreement which is in effect between Sweden and Germany, practically the entire surplus was exported to the latter country at a very favourable price which works out at approximately \$1.35 per bushel.

EXPORTS OF WHEAT

As mentioned previously, one of the results of the policy of fostering the domestic production of wheat has been the accumulation during 1936 and 1937 of an export surplus averaging nearly 100,000 tons. As yet it is too early to forecast the yield of the 1938 crop, but up to the time of writing the prospects are considered good for a normal crop, which will mean that Sweden will again have an export surplus.

This situation is best illustrated by the appended table showing the quantity of wheat exported from Sweden beginning with the year 1930, together with the countries of destination. It will be noted that a considerable reduction has occurred in the quantity of wheat exported from Sweden during 1937 as compared with the two previous years. It was previously mentioned that Germany purchased a considerable proportion of the 70,000 tons surplus which was available after last year's crop was harvested. The export figures for 1937 show that only somewhat over 25,500 tons had been exported up to the end of the year, but it is considered likely that when statistics are available to show the exports of wheat to various countries for the first six months of 1938, it will be found that Germany has been the principal purchaser. As a matter of fact, the figures for 1937 would seem to indicate such a situation as the exports to all other countries are of minor importance. Another feature which is of interest is that, since Sweden has had any appreciable quantity of wheat for export, over 80 per cent of the exports have been disposed of in one or two markets. In 1935 the United Kingdom took 63 per cent of the total and the Netherlands 26 per cent. In 1936 Denmark took 55 per cent and the United Kingdom 27 per cent. During the past year, Germany has purchased more than 87 per cent of the total exports. Prior to 1935 the quantity of wheat exported from Sweden had not been important, the other Scandinavian countries taking the greatest proportion of the surplus.

Swedish Exports of Wheat by Principal Countries

	1930	1931	1932	1933	1934	1935	1936	1937
	Figures in Metric Tons of 2,204 Pounds							
Total.....	11,159.3	298.8	720.4	266.4	24,047.7	122,346.3	91,280.9	29,384.3
Norway.....	215.9	34.5	12.8	....	2,462	2,298.1	3,629.5	86.9
Denmark.....	5,852.7	22.8	15.3	....	14,878.4	6,146.3	49,437.2	262.7
Finland.....	36.9	23.7	540	126.1	....	2,230.5	6,084.8	32.9
Estonia.....	....	....	65.1	27.7	....	....	2,625	....
Latvia.....	215.5	19.5	59.7	86.6	....	....	8.7	4,223.1
Germany.....	3,314	....	....	....	3,240.7	....	....	25,511.8
Netherlands.....	1,232.3	11.8	7.3	....	3,414.3	32,797.3	3,698	7.3
Great Britain.....	262.9	....	10.1	....	11.5	77,479.4	24,955.7	121.9

PRODUCTION OF WHEAT

The following table shows the area sown to spring wheat and winter wheat, as well as the total of the two, for the past eight years.

Year	Spring Wheat Acres	Winter Wheat Acres	Total Acres
1930.....	116,644	529,696	646,330
1931.....	151,065	531,737	682,802
1932.....	159,241	528,421	687,662
1933.....	203,084	545,021	748,105
1934.....	163,010	554,601	717,611
1935.....	143,162	530,843	674,005
1936.....	171,149	523,328	694,477
1937.....	161,855	572,350	734,205

It might be mentioned here that the above figures for the total acreage during the years 1930 and 1936 do not correspond exactly with those which appeared in the 1937 report. The above figures have been taken from the report of the Swedish Grain Company and are therefore considered to be accurate.

During the same years, the production of spring and winter wheat has been as follows:—

Year	Spring Wheat	Winter Wheat	Total
	M. Tons	M. Tons	M. Tons
1930..	76,833	489,767	566,600
1931..	96,015	367,558	463,573
1932..	126,279	528,944	655,223
1933..	149,826	566,970	716,796
1934..	124,601	632,182	756,783
1935..	108,976	533,586	642,562
1936..	121,340	467,480	588,820
1937..	121,400	578,590	699,990

From the above two tables it will be noted that, while the acreage sown to wheat during 1937 was greater than in any previous year, the production was smaller than in both 1933 and 1934.

WHEAT CONSUMPTION

In the report for 1937, figures were given to show the approximate consumption of wheat in Sweden. As statistics were not then available for the surplus, only a rough estimate was obtained. In the following table, however, the figures have been obtained from the annual report of the Swedish Grain Company and can therefore be considered as accurate.

Crop Year	Production	Imports	Surplus	Consumption
		Figures in	Metric Tons	
1930-31..	566,600	126,275	35,349	657,526
1931-32..	463,573	197,887	18,632	680,092
1932-33..	655,223	69,269	97,188	627,304
1933-34..	716,796	48,317	155,192	609,921
1934-35..	756,783	40,231	163,112	633,902
1935-36..	642,562	47,633	23,189	665,006
1936-37..	588,820	52,886	32,000	673,706

As indicated by the table given in the 1937 report, the consumption figures varied from year to year with a declining tendency. This, however, is not borne out by the above table, which indicates that consumption has remained fairly steady, the average for the past seven years being 649,637 tons.

IMPORTS OF FLOUR

Imports of flour into Sweden, as shown by the following table, have declined to negligible quantities during the past few years. The average volume imported during the past five years has been 141 tons. Owing to the regulations which are in force, by which imported flour must be mixed with Swedish flour in accordance with the mixing percentage prevailing at the time, as well as the fact that import licences must be obtained, it would appear that the restrictions have made conditions unfavourable for the importation of foreign flour.

Imports of Wheat Flour into Sweden

	1930	1931	1932	1933	1934	1935	1936	1937
	Figures in Metric Tons							
Norway..	100	22	10	..	..	10	..	..
Denmark..	511	72	23	..	..	..	1	..
Poland..	15	..	..	..	..	..	..	..
Germany..	154	37	52	..	..	..	..	..
Netherlands..	20	27	20	22	29	84	31	32
Great Britain..	88	..	..	..	..	..	..	..
France..	14	..	..	20	25	..	..	..
Hungary..	128	..	..	..	..	..	..	..
Canada..	1,625	357	224	59	45	10	50	60
United States..	9,817	1,412	772	155	51	..	10	..
Other countries..	6	..	7	3	4	3	..	3
Total..	12,478	1,927	1,108	259	154	107	92	95

PRODUCTION OF FLOUR

The production of wheat flour in Sweden has remained at a fairly constant level for the past several years, averaging 286,644 metric tons for the period 1926-30, 296,998 tons for 1931-35, 296,479 tons in 1934, and 300,231 tons in 1935.

No later statistics are available than those for 1935, and in view of the fact that exports of wheat flour are practically negligible, amounting to considerably less than 1,000 tons per year for the past three years, figures of production and consumption are approximately the same.

TRADE AND CLEARING AGREEMENTS

In view of the regulations at present in force governing the wheat and flour trade of Sweden, no trade or clearing agreement with other countries concerning these commodities has been signed.

CROP REPORTS FOR THE SCANDINAVIAN COUNTRIES AND FINLAND

RICHARD GREW, CANADIAN TRADE COMMISSIONER

NORWAY

Oslo, August 16, 1938.—According to the official report of the Director of Agriculture on the condition of crops at the end of July, the weather conditions during this month have, on the whole, been favourable. Although the first half of the month was somewhat colder than normal, warm weather was experienced during the last two weeks of July, and the rainfall was quite abundant throughout the month. As a result, however, of the cold weather during the early part of the summer and the somewhat damp weather experienced in July, all the hay has not yet been harvested.

The total crop for the whole country is given as 104 per cent of an average year in the case of cultivated fields and 102 per cent for natural fields. In a number of the southern districts the quality of the hay has been damaged to some extent by rain. The grain fields have improved considerably since the warm weather set in, and are now described as vigorous throughout the country. The grain is ripening somewhat late this year, however, and warm sunny weather is still required to ensure satisfactory crops. At present the prospects for the various grain crops are as follows: spring wheat, autumn wheat and mixed grain, 99 per cent of an average year; spring rye, barley and oats, 98 per cent of an average year; and autumn rye, 94 per cent.

The potatoes are also quite promising, but dry warm weather is now necessary in order that the crop may be satisfactory. The crop is now estimated at 99 per cent of an average year for the whole country. The root crops have developed satisfactorily since the warm weather set in, and the outlook is now quite promising. For the whole country the crop is estimated at 98 per cent of an average year for turnips, and 99 per cent for swedes.

DENMARK

The report issued by the Danish Department of Statistics on August 5 on the condition of crops at the end of July states that the weather conditions during July have been unusually favourable, and crop prospects for grain are considered to be average or slightly above average for the whole country. The size of the various grain crops, in percentages of an average year, are expected to be as follows in the case of Jutland: wheat 97, rye 93, barley 101, oats 101 and mixed

grain 100. For the islands the corresponding figures are as follows: wheat 101, rye 97, barley 103, oats 103 and mixed grain 102.

Although the condition of potatoes and other root crops has improved somewhat as a result of the favourable weather conditions during July, they are still described as being below the average in the case of both Jutland and the islands. In Jutland the estimated crop figures in percentages of an average year are: potatoes 96, carrots 94, beets 93, swedes 97, turnips 93 and sugar beets 94. For the islands the corresponding figures are 97, 94, 96, 97, 96 and 97 per cent respectively.

The harvesting of the hay is now completed, and the crops are described as being far below the average and far below those of last year in the case of both Jutland and the islands. The quantitative figures in percentages of an average year are given as follows: in Jutland, hay from cultivated fields 79 and hay from natural fields 82; on the islands, 84 and 86 respectively. The condition of the pasture fields at the end of July is somewhat more satisfactory, being calculated at 100 per cent of an average year in Jutland and at 94 per cent on the islands.

SWEDEN

The most recent crop report issued by the Swedish Central Bureau of Statistics describes the condition of crops on July 15. According to this report, the weather conditions during June were fairly normal, while during the first half of July the temperature was somewhat below normal; throughout this period the rainfall was exceptionally abundant. These favourable weather conditions have improved the prospects for both autumn-sown wheat and autumn-sown rye, which are now described as being somewhat above medium and slightly below medium respectively. With the exception of spring-sown rye, the crops of spring-sown grains are, on the whole, very promising, being reported as considerably above medium for spring wheat, barley, oats and mixed grain, and slightly below medium in the case of spring rye.

Potatoes and other root crops are reported to be quite promising, the prospects being described as slightly above medium in the case of potatoes and other root crops with the exception of sugar beets, which are considered to be considerably above medium. As a result of the abundant rainfall in June and July, the hay crops have improved considerably since the last report was issued, being described as slightly above medium in the case of hay from cultivated fields and medium for hay from natural fields.

FINLAND

According to the most recent crop report issued by the Finnish Department of Agriculture at the end of July, the rainfall was plentiful during the early part of the summer, and warm weather set in during the second week in July. As a result, the crop prospects in the middle of July are considered throughout almost the whole country to be more favourable than a month earlier, and the harvest in general is expected to be above medium. The autumn sowings, however, especially rye, stood the winter badly, and as a result of the rain that fell during the flowering period the crop is not expected to be above medium. It is estimated that autumn wheat will yield a crop above medium, and spring wheat considerably above medium. In the case of both barley and oats the crop is reported to be above medium.

The potato crop is described as being above medium, and the total root crops for the whole country are stated to be medium. The harvesting of hay began at the beginning of July and the crop is described as being considerably above medium and of good quality. The pasture lands throughout the country are reported to be satisfactory.

MARKET CONDITIONS FOR DRIED APPLES IN THE NETHERLANDS

W. G. STARK, ASSISTANT TRADE COMMISSIONER

(One metric ton equals 2,205 pounds; one kilo equals 2.2 pounds; one florin or guilder equals \$0.56 at current rate of exchange.)

Rotterdam, August 11, 1938.—The fresh apple crop of Holland this year is below average, which is a favourable factor from the point of view of the foreign exporter of dried apples to this market.

Local importers are already in possession of quotations from United States suppliers, and business has been transacted in the better-known branded lines. Buyers have shown most interest in Californian offers. The market is quite firm; there is a decided tendency towards rising prices, and stocks are pretty well cleared.

Current offers are as follows for new crop per 50 kilos c.i.f. Rotterdam:—

Extra Choice Californian rings, recleaned.....	\$ 9.75 to \$ 9.85
Extra Choice Californian quarters, recleaned.....	10.75 to 11.25
Extra Choice Oregon-Washington rings, recleaned.....	10.00 to 10.30
Extra Choice Oregon-Washington quarters, recleaned.....	11.00 to 11.50
(All water shipment, September-October.)	

There are no quotations on New York State rings, nor interest in them on the part of buyers. Most of these supplies go elsewhere, and the few that have come to Holland in the past season have been of inferior quality.

CANADIAN RINGS

There should be some market for Standard Nova Scotia rings at around \$8.50 per 50 kilos (110 pounds) c.i.f. Rotterdam.

In view of the more favourable opportunities afforded by the Payments Agreement between Canada and Germany, dated October 22, 1936, Netherlands importers are of the opinion that better prices will prevail in that market and that Canadian supplies are more likely to be diverted thence than to Holland.

Early varieties of Californian apples for August shipment have been offered at the following prices per 50 kilos c.i.f.:—

Extra Choice Californian rings, recleaned.....	\$9.70 to \$9.85
Choice Californian rings, recleaned.....	8.60
Standard	7.45

These are not favoured in Holland, and no purchases at the above figures have been reported.

Apple waste from the United States is offering currently at \$2.95 to \$3.15 per 50 kilos (110 pounds). Quotations received from Canadian exporters have been above this price.

IMPORTS

The following table shows the imports of dried apples into the Netherlands in 1937 as compared with those in the preceding year, together with arrivals during the first six months of 1938:—

Imports of Dried Apples into Holland

	1936		1937		Jan.-June, 1938	
	M. Tons	1,000 Fls.	M. Tons	1,000 Fls.	M. Tons	1,000 Fls.
Total..	3,362	870	3,185	1,030	2,018	530
Great Britain.. . . . .	....	....	4	1	....	....
Switzerland.. . . . .	....	....	4	1	....	....
Canada..	18	5	103	28	....	....
United States..	3,338	863	3,067	998	2,016	529

As indicated in the above table, the United States is the chief source of supply, with the Dominion in second place. Total arrivals from year to year vary with local demand and, more importantly, with the yield of the domestic fresh apple crop.

IMPORT DUTY

Dried apples brought into the Netherlands are subject to an import duty of 12 per cent on the c.i.f. value and a one per cent compensatory duty. There is also a monopoly tax of 4 florins per 100 kilos (220 pounds) net weight.

At time of writing a turnover tax of 4 per cent levied on the duty-paid value is also payable. On June 16, 1938, however, a bill cancelling the turnover tax on apples and other fruits was passed by the Lower House of the Netherlands Parliament. The approval of the Upper House was secured on August 3, so that this amending legislation will probably become effective in the very near future.

MARKET PROSPECTS

Dried apple quarters are more popular than rings. Favour is given mostly to Californian supplies, although the Washington-Oregon varieties are also well received. A light coloured bleached product is most in demand.

Canadian exporters interested in the Netherlands market are invited to forward samples and quotations to this office. Offers should be c.i.f. Netherlands port and should specify quantity and quality of the fruit in addition to the proposed time of shipment. Several local firms of importers are desirous of obtaining supplies from Canada during the forthcoming season.

ECONOMIC CONDITIONS IN NETHERLANDS INDIA

B. C. BUTLER, CANADIAN TRADE COMMISSIONER

(One florin or guilder equals \$0.56 Canadian; one metric ton equals 2,205 pounds.)

Singapore, August 1, 1938.—Business activities in Netherlands India during the first months of the current year have been disappointing. The import trade and wholesale and retail business are directly influenced by the prices of export commodities, the index for which has stood at 43 (1929 equals 100), the lowest since the depreciation of the guilder in September, 1936. The index of import commodity prices has not shown a corresponding decline and stood at 96 in the first quarter of the current year, the same as for the first quarter of 1937. With an improvement in prices toward the end of June, following encouraging reports from Europe and America, the outlook is more cheering than at the beginning of the year. One bright feature of the Netherlands Indies situation is the satisfactory position of the native crops, insuring an adequate food supply.

IMPORTS

Total imports into Netherlands India for the first five months of 1938 were valued at fl.212,700,000 as compared with fl.258,600,000 in the same period of 1937. Imports during the first quarter were high, having no relation to current conditions as deliveries were against commitments entered into several months previously. This resulted in overstocking in most lines and a general stagnation in the import and wholesale trades. The importation of consumer goods showed a marked decline after January and February, but there was an increase in the import of machinery and tools.

Imports from Canada during the five-month period were valued at Canadian \$325,000 as against \$392,000 in the same period of 1937.

EXPORTS

Exports for the January to May period totalled fl.306,300,000 as against fl.379,500,000 in the same period of the previous year. The decrease is mainly due to the decline in the exports of sugar, cassava and maize, although lower prices for rubber, tin and all other export commodities affected the totals. The Outer Possessions, exclusive of Java and Madura, are more dependent upon the export trade and have, therefore, felt the consequences of the unfavourable prices more than Java, where over 70 per cent of the population is concentrated.

GOVERNMENT FINANCE

Government revenues for the January to May period this year amounted to fl.213,000,000 and exceeded those for the same period of 1937 as well as being fl.13,000,000 greater than the estimates. Taxation contributed most to the increase due to larger returns from corporation taxes as a result of the good profits earned by businesses in 1937.

Adverse business conditions are expected to produce lower revenues during the remainder of the year, and deficits on ordinary and extraordinary services for 1938 are estimated to amount to approximately fl.51,000,000 as compared with a surplus in 1937 of fl.22,000,000. The estimates for 1939 indicate a deficit and in order to meet this situation increases in income tax, wages tax and import duties are proposed. It is believed likely that a new import tariff will be in effect as from January, 1939.

There was a reduction of fl.4,735,000 in the value of bank notes and coinage in circulation during the first four months of the present year.

GOVERNMENT ASSISTANCE TO MARKETING

In the Governor General's speech at the recent opening of the People's Council (Volksraad), it was stated that the Government is devoting its attention primarily to the promotion of export trade by means of international agreements. A committee has been formed to work closely with government bodies in Holland and government representatives and trade commissioners in all parts of the world in the matter of trade promotion and market investigations for promoting the export of native crops. Separate export boards have been formed to deal especially with problems arising in the marketing of cassava, volatile oils (citronella), resin, krossok tobacco, kapok and coffee. The Government is also promoting industrial production for the Netherlands Indies domestic market with a view to providing greater opportunities for employment. The redistribution of the native population in order to develop the unexploited resources of Borneo, Sumatra and other outlying territories and to relieve the population pressure in the island of Java is being considered by the Government. Part of a gift of fl.25,000,000 from the Netherlands will be devoted to this purpose.

A new company, capitalized at fl.2,100,000, has been formed to study and exploit the productive and trade possibilities of New Guinea, a part of Netherlands India that has, to date, hardly been touched by Dutch commercial interests. The shareholders of the new company include the biggest Dutch estate companies, banks, shipping lines and merchant firms, many of whom have been operating in other parts of Netherlands India for two centuries.

Control of imports by means of quotas and licences still continues. Full particulars concerning the commodities affected may be obtained from the Department of Trade and Commerce, Ottawa.

EXPORT PRODUCTS

Since the middle of June the situation with respect to export crops has improved considerably as a result of better markets in North America. Sales

are better with increased prices. For Netherlands Indies exports, North America is an all-important factor and if present conditions continue, the second half of 1938 offers better prospects than the first six months.

RUBBER

The export of estate and native grown rubber (Netherlands Indies production consists of about half of each) during the January to June period of 1938 totalled 160,325 tons as compared with 213,331 tons in the same period of 1937. The price decline during the last quarter of 1937 continued during the six months of the present year, despite lower production quotas and reduced exports.

Under the new international rubber restriction agreement which comes into effect on January 1, 1939, Netherlands India's basic tonnage allotment has been increased by 91,500 tons, from 540,000 tons to 631,500 tons.

SUGAR

The outlook at the present time for the production and sale of sugar in East Java is not encouraging. Hope for improvement depends upon the early termination of the Sino-Japanese disturbance and the resumption of buying by both countries. Despite the discouraging sales prospects, Java's production quota for the next crop year, as set by the London Sugar Convention, will be 1,550,000 tons, an increase of 10.7 per cent over this year's quota. As a result several sugar factories will be re-opened and the total number in operation in 1939 is expected to be 84.

At the end of May there was still approximately 400,000 tons of this crop year's quota unexported, and as the year closes at the end of August, it is expected that exports before that time will be unusually large. During the month of June exports of sugar amounted to an estimated total of 125,000 tons, principally to Europe.

TEA

International restriction of output is still in effect, but this, together with an intensive advertising campaign in the world's largest market, does not appear to have helped the industry to the extent hoped for. Actually, consumption of tea has fallen off and prices have shown a corresponding decline. The sale of Netherlands Indies tea has further suffered by the introduction of an Empire preferential tariff on the import of tea into England, which was formerly one of Netherlands India's principal outlets.

COFFEE

The position of the coffee industry has become serious after a period of relative good times, and the Government is again giving careful consideration to the furnishing of some form of aid.

INDUSTRIALIZATION

Although still in its infancy, industrialization in Java is increasing at a rapid rate. What might be termed indigenous or native craft industries have been in operation in Java for many years and include furniture, iron, steel and silver table utensils, paper and cotton umbrellas, straw mats and hats, batik, tiles, cigarettes, etc.

A second paper factory is to be built in the near future to augment the production of a factory which has for a number of years been producing cheap grades of paper from rice straw, supplemented by imports of pulpwood.

There are three small factories at present manufacturing electric light bulbs, but their operations have been somewhat curtailed by import quotas on filaments and parts in order to assist the sales of one of the largest enterprises in Holland. The quotas referred to have now been removed, enabling the small local industries to produce at full capacity.

A large factory, to employ 1,000 people by 1940 in the manufacture of rubber shoes will shortly be established. It is the intention to manufacture leather shoes later and a large tannery will likely be opened for that purpose.

A mining company operating in the Celebes plans to ship 20,000 tons of nickel ore to Germany during the present year. This same company is also considering the establishment of a plant to process nickel ore.

In order to assist this industrialization the Government is studying the question of reducing duties on a number of raw products and semi-manufactured goods.

FOREIGN TRADE OF ECUADOR IN 1937

S. G. MACDONALD, ACTING CANADIAN TRADE COMMISSIONER

(One sucre equals 9½ cents Canadian approximately.)

Lima, Peru, July 28, 1938.—Preliminary foreign trade statistics recently issued in Ecuador for 1937 showed advances in both imports and exports as compared with the previous year. The total foreign trade was valued at 295,688,216 sucres as compared with 263,534,476 sucres in 1936. Imports, which were in excess of any year since 1930, accounted for 131,642,818 sucres (117,502,857 sucres in 1936) while exports totalled 164,045,398 sucres (146,030,619 sucres). Although 1937 was a year of expanding markets throughout the world, the advances made in Ecuadorean foreign trade were noteworthy on account of internal economic difficulties and the continued necessity for import control measures.

IMPORTS

The United States, although the leading supplier to Ecuador for a number of years, showed a marked advance in 1937 both as a supplier to and purchaser from Ecuador. Imports into Ecuador from that country were valued at 52,085,893 sucres as compared with 33,869,216 sucres in the previous year. Germany was the second most important supplier but at a level considerably below that of the United States. The United Kingdom retained third position in 1937 with total sales to Ecuador amounting to about one-fourth of those of the United States and less than one-half of the imports from Germany. Japan, the fourth most important supplier in 1936, retained that position in 1937 with a considerable decrease. In 1935 Japan was second in importance to the United States, but her sales to Ecuador have fallen off steadily since that time. In consequence she has given place to both Germany and Great Britain, imports from which have increased. The import surcharge against Japanese products is largely responsible for this decline, but there has also been a reduction in demand for many Japanese products in the Ecuadorean market.

EXPORTS

The position of the United States as leading purchaser from Ecuador was retained, but her share both of the total trade and of Ecuador's exports was reduced. This decline was principally due to a falling off of shipments of cacao, which was sent to Germany in unusually large quantities on a compensation basis, with a resulting increase in Germany's purchases as compared with the previous year.

Import and Export Trade of Ecuador by Countries

Country of Origin or Destination	Imports			Exports		
	1935	1936	1937	1935	1936	1937
Values in Thousands of Sucres						
United States	28,140	33,869	52,086	52,873	67,116	54,422
Germany	13,688	25,002	31,701	11,101	20,676	35,974
United Kingdom . . .	12,380	11,351	13,250	8,528	4,854	4,411
Japan	17,086	10,248	4,259	5,461	2,611	6,261
France	3,401	2,654	4,114	8,020	15,148	20,539
Italy	2,633	2,490	3,760	1,803	2,647	6,313
Peru	1,365	2,930	2,739	7,875	4,575	2,908
Argentina	1,174	1,222	2,464	2,757	7,201	1,799
Chile	2,852	2,032	2,375	3,465	4,042	5,027
Czechoslovakia . . .	2,176	12,637	2,041	6	614	1,683
Belgium	2,161	2,299	1,896	1,908	2,770	1,867
Netherlands	610	962	1,743	1,451	2,630	3,592
Switzerland	645	705	1,162	5	67	489
All others	8,783	9,101	8,053	8,245	11,081	18,760
Total	97,094	117,502	131,643	113,498	146,032	164,045

A comparison of the percentages of total imports from and exports to the six leading supplying countries shows the advances made by the United States in proportion to the total imports and also the reductions in the cases of Germany and Japan.

	Imports			Exports		
	1935	1936	1937	1935	1936	1937
Per Cent of Totals						
United States	29.0	28.8	39.6	46.6	45.9	33.2
Germany	14.1	21.2	24.1	9.8	14.2	21.9
United Kingdom	12.8	9.7	10.1	7.5	3.3	2.7
Japan	17.6	8.7	3.2	4.8	1.8	3.8
France	3.5	2.2	3.1	7.1	10.4	12.2
Italy	2.7	2.1	2.9	1.6	1.8	3.9

TRADE WITH CANADA

According to the Ecuadorean Statistical Bureau, imports from Canada in 1937 were valued at 810,632 sucres as against exports to Canada worth 25,804 sucres. For the years 1936 and 1935 imports from the Dominion reached levels of 1,592,242 sucres and 1,040,074 sucres respectively. For exports to Canada in these years the corresponding figures were respectively 25,051 sucres and 26,773 sucres. Details of the trade between the two countries are lacking, but according to figures of the Dominion Bureau of Statistics the total value of exports from Canada to Ecuador in 1937 was \$72,103 (\$154,485 in 1936), with imports from that republic at \$37,110 (\$54,982 in 1936). Of the imports, the bulk was accounted for by fresh bananas (\$32,819), the balance being confined in small quantities to hoods in single piece, timber, cocoa beans, worsteds and serges.

The leading exports to Ecuador from the Dominion in 1937 consisted of newsprint (\$15,180); Douglas fir planks and boards (\$12,047); farm implements (\$8,549); bags, boxes, and cartons of paper (\$5,706); machinery (\$4,756); powdered milk (\$3,496); cordage, rope and twine (\$3,404); patent leather (\$3,332); wrapping paper (\$2,809). Other exports to Ecuador of lesser values included: wheat; Douglas fir timber squares; rubber tires and tubes; canned salmon; cotton ducks; pipes and tubing; manufactures of iron and steel; metals and products, including aluminium in bars, manufactures of brass, copper wire and cables, white lead; needles; electric apparatus; whisky.

A comparison of the Ecuadorean figures with those of the Dominion Bureau indicates clearly the discrepancies in values for both exports and imports. This is largely due to the routing of goods through the United States or handling by United States brokers. This method often results in the real origins of the goods being lost in so far as either the importing or exporting country is concerned.

In 1936, owing to an unfavourable trade balance for Ecuador, Canadian goods were made subject to a 50 per cent tariff surcharge. The effect of this surcharge was not so severely felt during that year as during 1937, as is clearly indicated by a comparison of imports into Ecuador in that year with either of the two preceding ones. During 1938 this same curtailment of Canadian exports to Ecuador continues, and without some amelioration in the tariff situation there is little opportunity for Canadian goods finding an increased market in that republic.

UNITED KINGDOM MERCHANDISE MARKS ACT

WATCH STRAPS, ETC.

Referring to the notice published in *Commercial Intelligence Journal* No. 1787 (April 30, 1938), the Chief Canadian Trade Commissioner in London writes that the Merchandise Marks Committee have recommended that imported "straps, wristlets, bands, cordettes and similar articles ordinarily worn with watches but not including those made wholly or mainly of metal," when unattached to watches, should be required to bear an indication of origin at the time of importation. The Committee further recommend that the indication of origin should be either (a) printed on a label securely attached to each article or (b) printed or stamped in a contrasting colour or impressed on each article and that, in addition, an indication of origin should be printed or stamped on any card on which the goods are imported, sold or exposed for sale.

TARIFF CHANGES AND CUSTOMS REGULATIONS

United Kingdom

QUOTA PAYMENTS ON FLOUR

With reference to the notice in *Commercial Intelligence Journal* No. 1787 (April 30, 1938), page 671, the Wheat (Quota Payments) No. 4 Order, 1938, of the United Kingdom, effective August 11, increases from 9·6 pence to 16·8 pence the payment to be made to the Wheat Commission in respect of each hundredweight of wheat flour imported into or milled in the United Kingdom. The fund created by these payments is used to reimburse United Kingdom wheat growers to the extent of the difference between the ascertained average price of home-grown millable wheat in any cereal year and the standard price of 10 shillings per hundredweight fixed by the Wheat Act, 1932.

REDUCED EMPIRE CONTENT REQUIREMENT FOR HICKORY HANDLES

A notice issued by the London Custom House announces that by the Import Duties (Imperial Preference) Amendment No. 1 Regulations, 1938, made by the Board of Trade under the Finance Act, 1933, the proportion of the value of implement and tool handles of hickory required to be derived from prescribed expenditure within the British Empire to entitle such handles to duty-free entry into the United Kingdom under Imperial preference has been reduced from 50 per cent to 25 per cent, effective as from August 20, 1938.

South Africa

CUSTOMS TOLERANCE ON WEIGHT OF TINNED SALMON

Mr. G. R. Heasman, Canadian Trade Commissioner at Cape Town, advises under date August 9, 1938, that the South African custom authorities have for some time been allowing a tolerance in the weight of tinned salmon of 1 ounce per 16-ounce tin, or 3 pounds on the usual case of 48 1-pound tins, and $\frac{3}{4}$ ounce on the usual 8-ounce tins, or $4\frac{1}{2}$ pounds per case of 96 tins. If, however, the net weight of a case of salmon exceeds the amount of the tolerance, then it no longer applies, and the duty is levied on the actual net weight.

The attention of exporters and packers is directed also to the fact that where the labels on the usual 1-pound tins of salmon indicate the weight as $15\frac{1}{2}$ ounces the invoice should indicate 1-pound tins. This is necessary in order to conform to a recent ruling by the Commissioner of Customs. The circular instructions in question were to the effect that "the tolerance in respect of the weight of tinned salmon is to apply to tins of reputed 1 pound or $\frac{1}{2}$ pound weight, usually invoiced as 1's or $\frac{1}{2}$'s, notwithstanding the fact that the labels may specify the net contents, for example, as $15\frac{1}{2}$ ounces or $7\frac{1}{2}$ ounces, provided, of course, that the goods are invoiced and entered for duty as 1-pound or $\frac{1}{2}$ -pound tins." In the absence of this ruling, tins of salmon labelled $15\frac{1}{2}$ ounces were not entitled to the above tolerance in weight.

Exporters will appreciate, however, that, unless ordinary 1-pound tins labelled $15\frac{1}{2}$ ounces are invoiced as 1-pound tins, the tolerance in weight will not apply, and the whole principle with regard to the tolerance in the weight of tinned salmon is endangered.

Jamaica

INCREASED DUTIES ON ALCOHOLIC BEVERAGES

Jamaica duties on imported alcoholic beverages, effective from June 28, were approved by the Legislature on July 26 and are as follows:—

	Former Rate		New Rate	
	British Preferential Tariff	General Tariff	British Preferential Tariff	General Tariff
Beer, ale, stout and porter, per liquid gal.	1s. 9d.	2s. 6d.	2s. 4d.	3s. 4d.
Whisky, per proof gal.	28s 3d.	41s.	37s. 8d.	54s. 8d.
Minimum rate, per liquid gal.	24s.	29s. 8d.	32s.	39s. 7d.
Brandy and gin, per proof gal.	28s. 3d.	34s. 4d.	37s. 8d.	45s. 10d.
Minimum rate, per liquid gal.	24s.	29s. 8d.	32s.	39s. 7d.
Spirits of wine and alcohol, per proof gal.	28s. 3d.	34s. 4d.	37s. 8d.	45s. 10d.
Minimum rate, per liquid gal.	24s.	32s. 2d.	32s.	42s. 11d.
Cordials and liqueurs, including flavouring ex- tracts containing 40 per cent proof spirits, per liquid gal.	28s. 3d.	34s. 4d.	37s. 8d.	45s. 10d.
Bay rum, per proof gal.	9s.	12s.	12s.	16s.
Wine up to and including value of 18s. per gal., per liquid gal.	6s.	10s.	8s.	13s. 4d.
Wine valued over 18s. per liquid gal.,	12s.	17s.	16s.	22s. 8d.

Excise duties on locally brewed beer and locally made matches have been correspondingly increased.

Mr. F. L. Casserly, in charge of the Canadian Trade Commissioner's office, Kingston, Jamaica, writes that the purpose of the extra taxation is to raise money for public development, including a large settlement program about to be undertaken by the Jamaican Government.

Bermuda

IMPORTATION OF POTATOES RESTRICTED

The Bermuda Importation of Potatoes Act, passed on August 6, 1938, authorizes the Governor in Council on the recommendation of the Board of Agriculture to prohibit the importation of potatoes during the months of August and September.

United States

ADMINISTRATION OF MARKING REGULATIONS

With reference to the notice in *Commercial Intelligence Journal* No. 1799 (July 23, 1938), page 143, respecting indications of origin to be shown on goods imported into the United States in accordance with Section 304 of the Tariff Act of 1930, instructions were issued on August 22, 1938, by the United States Treasury Department dealing with certain exemptions from this requirement. Subsection 304 (a) (3) (J) as amended by Section 3 of the Customs Administrative Act of 1938, empowers the Secretary of the Treasury by regulation to except any imported article from the marking requirement of Section 304, under these conditions:—

If such article is of a class or kind with respect to which the Secretary of the Treasury has given notice by publication in the weekly Treasury Decisions within two years after July 1, 1937, that articles of such class or kind were imported in substantial quantities during the five-year period immediately preceding January 1, 1937, and were not required during such period to be marked to indicate their origin; PROVIDED, That this subdivision (J) shall not apply after September 1, 1938, to sawed lumber and timbers, telephone, trolley, electric light, and telegraph poles of wood, and bundles of shingles; but the President is authorized to suspend the effectiveness of this proviso if he finds such action required to carry out any trade agreement entered into under the authority of the Act of June 12, 1934, as extended.

Pursuant to this provision, notice is given that the following articles were imported in substantial quantities during the five-year period immediately preceding January 1, 1937, and were not required during such period to be marked to indicate the country of their origin:—

Bagging, waste	Paper, newsprint
Bodies, harvest hat	Poles, bamboo
Brierwood in blocks	*Poles (wood), electric light
Burlap	*Poles (wood), telegraph
Eggs	*Poles (wood), telephone
Firewood	*Poles (wood), trolley
Hides, raw	Pulpwood
Hooks, fish	*Shingles (wood), bundles of
Laths	Skins, raw fur
Livestock	*Timbers, sawed
*Lumber, sawed	Trees, Christmas

*Subject to the proviso to subdivision (J)

Articles in the above list indicated by an asterisk, the instructions state, shall be required, subject to further notice, to be marked to indicate the country of their origin if entered for consumption or withdrawn from warehouse for consumption after September 1, 1938.

In the case of any article included in the above list which is imported in a container, the outermost container in which the article ordinarily reaches the ultimate purchaser is required to be marked to indicate the origin of its contents.

INTERPRETATION OF TERM "BOARD MEASURE" FOR LUMBER TAX AND EXEMPTIONS

With reference to the notice in *Commercial Intelligence Journal* No. 1800 (July 30, 1938), page 185, United States Treasury Decision 49662 of July 27, 1938, contains an interpretation of the Revenue Act Amendment of 1938 (Sections 704 (a) and (b)) respecting determination of "board measure" for the purpose of the tax of \$3 per thousand feet, board measure, levied on imported "lumber, rough, or planed or dressed on one or more sides, except flooring made of maple (except Japanese maple), birch, and beech."

The Revenue Act of 1938 had added the qualification: "In determining board measure for the purposes of this paragraph no deduction shall be made on account of planing, tonguing, and grooving. As used in this paragraph, the term 'lumber' includes sawed timber." Each sentence of this amend-

ment was to become effective on the sixtieth day after enactment, unless found to be in conflict with an international obligation of the United States.

The aforementioned Treasury decision announces that as it has been decided that the first sentence of the amendment is not in conflict with any international obligation, the Customs are directed to apply the first sentence of the amendment to importations of lumber, including sawed timber, entered for consumption or withdrawn from warehouse for consumption on or after July 27, 1938. As regards the second sentence, which states that the term "lumber" includes sawed timber, it is announced that pending promulgation of a ruling, collectors of customs are directed to continue the practice as heretofore in use in collecting estimated duties and import taxes on sawed timber and to suspend liquidation of all unliquidated entries covering such merchandise, including entries filed before July 27, 1938.

It is to be noted that in the Canada-United States Trade Agreement the \$3 tax in question was reduced to \$1.50, and by United States Revenue Act, 1938, was removed altogether as from July 1, as regards Northern white pine (*pinus strobus*), Norway pine (*pinus resinosa*), and Western white spruce.

With respect to lumber claimed to be exempt from the import tax, there is to be filed in connection with the entry, preferably on the invoice, a declaration of the shipper or other person having actual knowledge of the facts, as to the species of the lumber comprising the shipment, that is, whether it is Northern white pine* (*pinus strobus*), Norway pine (*pinus resinosa*), or Western white spruce, and in the case of Western white spruce the declaration shall contain in addition a statement as to the locality of origin of the wood from which the lumber was produced.

Italy

RESTRICTIONS ON USES OF METALS

Mr. J. C. Depocas, Assistant Trade Commissioner at Milan, Italy, writes that a law of June 16, 1938, published in the Italian *Gazzetta Ufficiale* of August 11, empowers the head of the Government, on proposal of the Minister of Corporations, and in agreement with the Ministers of Finance, Public Works, Communications and Foreign Trade and Exchange, General Commissioner for war manufactures, and interested corporations, to prohibit the use of copper, nickel, tin, chrome, cobalt and their alloys in manufacture, when they can be replaced by Italian metals. When such prohibitions have been authorized by law, the same decree gives power to the Minister of Finance, in agreement with certain other Ministers, to prohibit importation of products made of the metals in question.

Japan

EMERGENCY IMPORT AND EXPORT CONTROL LAW

With reference to the review of the Emergency Import and Export Control Law published in *Commercial Intelligence Journal* No. 1798 (July 16, 1938), pages 94-5, Mr. C. M. Croft, Commercial Secretary, Canadian Legation, Tokyo, reports further regulations made under this law. Effective July 1, 1938, Ordinance No. 43 prohibits use of cowhide in the manufacture of shoes, saddles, and harness, cycle saddles, machine belting, packing, sporting goods, and honing leather, as well as the use of cowhide, horsehide, sheepskin, pigskin, whale or shark skin in manufacture of nearly all kinds of leather goods. Ordinances 44 and 45, effective on the same day, provide means for control of price and distribution of hides and leather goods.

Effective July 9, Departmental Order No. 53 prohibits use of rubber for manufacture of footwear, gloves (except surgical), wearing apparel, ornaments, sporting goods, household goods, toys, and other products; No. 54 prohibits sale of rubber footwear to other than retailers and those specified by the Minister of Commerce and Industry; No. 55 controls distribution and consumption of rubber. No. 51, effective July 15, prohibits use of metal foils and papers or tubes of lead, zinc, tin, antimony and alloys thereof in manufacture of containers for dentifrices, toilet articles, and similar preparations and for foodstuffs. The use of lead, zinc, tin, antimony, and nickel and alloys of these metals (except copper alloys) is prohibited in the manufacture of household utensils, hardware, ornaments, and numerous other manufactures.

These orders are not applicable to goods for military use or for exports to countries other than the Kwantung Leased Territory, Manchukuo, and China.

Some additions to Schedule C, which lists articles subject to export restriction, are: Waste wool fibres and yarns (Item No. 295); sheep's wool, goat's hair and camel's wool (Item No. 282); and rags of wool or containing wool (Item No. 341).

PRICE CONTROL OF COMMODITIES

Mr. C. M. Croft, Commercial Secretary, Canadian Legation, Tokyo, advises that Japanese Commerce and Industry Order No. 56, effective July 9, 1938, provides that articles may be designated, the prices of which must not be raised above those ruling on the day prior to the notification. If standard prices can be fixed reasonably the Central Commodity Price Commission will name the official prices but if conditions are such that standard prices cannot be fixed a Local Commodity Price Commission, through the Prefectural Governor, shall fix local standard prices. Simultaneously with the promulgation of the Order, the Minister of Commerce and Industry designated the following commodities, the prices of which must not be raised above those ruling on July 8: Goods made from hemp, flax, ramie and similar articles; imported lumber and manufactures thereof; rubber products; rosin; shellac; gum arabic; tow (paulownia) oil; carbon black; zinc oxide; red lead; litharge; earth for paints; carbolic acid; and borax.

Cuba

SEED POTATO REGULATIONS

Mr. C. S. Bissett, Canadian Trade Commissioner at Havana, writes under date August 23, 1938, that he has been requested by the Cuban Department of Agriculture to bring to the notice of all Canadian seed potato exporters the fact that the weight marking regulations covering seed potato containers, as embodied in Decree No. 1201, gazetted September 3, 1932, and reported upon in *Commercial Intelligence Journal* No. 1497 (October 8, 1932), page 597, have not in past seasons been carried out.

Henceforth these regulations will be strictly enforced. They exact that each container be marked in an effective manner with the average net weight of seed potatoes contained therein.

This is interpreted by the Cuban Director of Agriculture to mean the net weight per container obtained when the total net weight of each shipment or lot is divided by the number of containers in it, whether these be bags or barrels. Moreover, this average net weight is that obtained when the containers are originally packed ready for export. It is not expected that the potatoes will have the stated average net weight when they arrive at Cuban ports because of the shrinkage involved in transit.

All seed potato exporters are strongly recommended to fulfil carefully this regulation in order to avoid rejected shipments.

FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING AUG. 29, 1938

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, August, 29, 1938, and for the week ending Monday, August 22, 1938, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending August 22	Nominal Quotations in Montreal Week ending August 29	Official Bank Rate
Austria	Schilling	.1407			—
Belgium	Belga	.1001	\$.1691	\$.1691	3
Bulgaria	Lev	.0072	.0125	.0125	6
Czechoslovakia	Koruna	.0296	.0346	.0345	3
Denmark	Krone	.2680	.2185	.2177	4
Finland	Markka	.0252	.0216	.0215	4
France	Franc	.0392	.0274	.0273	2½
Germany	Reichsmark	.2382	.4022	.4012	4
Great Britain	Pound	4.8666	4.8965	4.8761	2
Greece	Drachma	.0130	.0089	.0089	6
Holland	Guilder	.4020	.5489	.5459	2
Hungary	Pengo	.1749	.2985	.2979	4
	Unofficial		.1974	.1969	—
Italy	Lira	.0526	.0527	.0526	4½
Yugoslavia	Dinar	.0176	.0233	.0232	5
Norway	Krone	.2680	.2460	.2450	1½
Poland	Zloty	.1122	.1891	.1885	4½
Portugal	Escudo	.0442	.0444	.0442	4-4½
Roumania	Leu	.0060	.0073	.0074	3½
Spain	Peseta	.1930	.0577	.0575	5
Sweden	Krona	.2680	.2525	.2514	2½
Switzerland	Franc	.1930	.2299	.2288	1½
United States	Dollar	1.0000	1.0034	1.0012	1
Mexico	Peso	.4985	.1992	.1973	3
Cuba	Peso	1.0000	1.0027	1.0005	—
Guadeloupe	Franc	.0392	.0274	.0273	—
Jamaica	Pound	4.8666	4.9065	4.8861	—
Martinique	Franc	.0392	.0274	.0273	—
Other British West Indies	Dollar	1.0138	1.0200	1.0160	—
Argentina	Peso (Paper)	.4245	.3265	.3251	3½
	Unofficial		.2574	.2568	—
Brazil	Milreis (Paper)	.1193	.0584	.0585	—
British Guiana	Dollar	1.0138	1.0200	1.0160	—
Chile	Peso	.1217	.0520	.0517	3-4½
	Unofficial		.0401	.0400	—
Colombia	Peso	.9733	.5694	.5681	4
Peru	Sol	.2800	.2157	.2102	6
Venezuela	Bolivar	.1930	.3060	.3054	—
Uruguay	Peso	1.0342	.6454	.6416	—
South Africa	Pound	4.8666	4.8904	4.8700	3½
Egypt	Pound (100 Piastres)	4.9431	5.0200	4.9992	—
China (Shanghai)	Dollar	.....	.1703	.1715	—
Hongkong	Dollar	.....	.3056	.3045	—
India	Rupee	.3650	.3650	.3626	3
Japan	Yen	.4985	.2854	.2841	3.29
Java	Guilder	.4020	.5487	.5460	—
Siam	Baht (Tical)	.4424	.4488	.4469	—
Straits Settlements	Dollar	.5678	.5703	.5680	—
Australia	Pound	4.8666	3.9175	3.9000	3
New Zealand	Pound	4.8666	3.9487	3.9320	2

The Dominion Bureau of Statistics has supplied the following note:—

Recurring international tension was quoted as the chief unsettling factor in exchange markets. Moderate stability at London in the early part of the week was credited chiefly to intervention on the part of the British equalization fund. The pound sterling rose from \$4.8955 on August 23 to \$4.8977 on the following day and then tended downward to close at \$4.8761 on the 29th, the lowest level since May 11, 1935. Gold shipments to the United States continued heavy although London price rose from 142s. 6½d. to 142s. 8½d. during this period. The French franc held between 2.74 cents and 2.75 cents on intimations of official modifications of the 40-hour labour week, but closed easier at 2.73 cents. Premiums on United States funds were reduced almost daily from 2¼ per cent on August 23 to 1 per cent on the 29th.

TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

Secretary, Board of Trade—

Saint John, N.B.
Halifax, N.S.
Quebec, P.Q.
Montreal, P.Q.
Toronto, Ont.
Chatham, Ont.

Brantford, Ont.
Kitchener, Ont.
Stratford, Ont.
Woodstock, Ont.
St. Mary's, Ont.
Portage la Prairie, Man.

St. Boniface, Man.
Winnipeg, Man.
Vancouver, B.C.
New Westminster, B.C.

Secretary, Chamber of Commerce—

Sherbrooke, P.Q.
Kingston, Ont.
Oshawa, Ont.
Belleville, Ont.

Peterborough, Ont.
London, Ont.
St. Catharines, Ont.
Hamilton, Ont.

Victoria, B.C.
Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

Secretary, Canadian Manufacturers Association—

Toronto, Ont.
Montreal, P.Q.

Winnipeg, Man.
Edmonton, Alta.

Vancouver, B.C.
Victoria, B.C.

Director, Trade Extension, Victoria, B.C.

Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.

Commodity	No.	Location of Inquirer	Purchase or Agency
Miscellaneous—			
Glass Jars.....	465	Birmingham, England.....	Purchase.
Cheap Raincoats (Transparent).....	466	Shanghai, China.....	Agency.
Semi-precious Stones.....	467	Birmingham, England.....	Purchase.
Crosscut Saws.....	468	Johannesburg, South Africa	Agency.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Montreal

To Liverpool.—Duchess of Bedford, Sept. 4 and 30; Duchess of Richmond, Sept. 10 and Oct. 7; Duchess of York, Sept. 16; Duchess of Atholl, Sept. 23—all Canadian Pacific; Andania, Sept. 9; Antonia, Sept. 23—both Cunard-White Star Line; Vigor, Sept. 17; Taborfjell, Oct. 8—both Fjell Line.

To London.—Beaverdale, Sept. 9; Beaverford, Sept. 16; Beaverbrae, Sept. 23; Beaverhill, Sept. 30; Beaverburn, Oct. 7—all Canadian Pacific; Alania, Sept. 9 and Oct. 7; Aurania, Sept. 16; Ausonia, Sept. 30—all Cunard-White Star Line; Ravnefjell, Sept. 7; Rutenfjell, Sept. 21; Ornefjell, Oct. 5—all Fjell Line.

To Manchester.—Manchester Citizen, Sept. 8; Manchester Regiment, Sept. 15; Manchester Division, Sept. 22; Manchester Port, Sept. 29; Manchester Commerce, Oct. 6; Manchester Progress, Oct. 13—all Manchester Line; Vigor, Sept. 17; Taborfjell, Oct. 8—both Fjell Line.

To Southampton.—Montrose, Canadian Pacific, Sept. 8 and Oct. 1.

To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.—Boston City, Sept. 9; Bristol City, Sept. 28—both Bristol City and Dominion Lines; Dorelian, Sept. 17; Dakotian, Oct. 7—both Cunard-Donaldson and Dominion Lines.

To Glasgow.—Letitia, Sept. 4 and 30; Sulairia, Sept. 9; Athenia, Sept. 16; Delilian, Sept. 23—all Donaldson-Atlantic Line.

To Newcastle and Leith.—Cairnglen, Sept. 7; Cairnesk (also calls at Dundee), Sept. 21; Cairnmona, Sept. 28; Cairnross, Oct. 5; Cairnvalona, Oct. 12—all Cairn-Thomson Line.

To Aberdeen and Hull.—Bassano, Ellerman's Wilson Line, Sept. 23.

To Dublin and Belfast.—Torr Head, Sept. 11; Bengore Head (does not call at Dublin), Sept. 12; Kenbane Head, Sept. 24—all Head Line (cargo accepted for Cork and Londonderry).

To Hamburg and Bremen.—Beaverhill, Sept. 30; Beaverbrae, Oct. 28—both Canadian Pacific (do not call at Bremen); Frankenwald, Hamburg-American Line, Sept. 24.

To Copenhagen, Gothenburg, Stockholm and Helsingfors.—Braheholm, Swedish-America-Mexico Line, Sept. 29.

To Norwegian Ports.—Vigor, Sept. 17; Taborfjell, Oct. 8—both Fjell Line; a steamer, Norwegian American Line, first half of September.

To Antwerp and Havre.—Montrose, Sept. 8 and Oct. 1; Beaverdale, Sept. 9; Beaverford, Sept. 16; Beaverbrae, Sept. 23; Beaverburn, Oct. 7—all Canadian Pacific (do not call at Havre); Hada County, Sept. 18; Brant County, Sept. 30—both County Line; Ravnefjell, Sept. 7; Rutenfjell, Sept. 21; Ornefjell, Oct. 5—all Fjell Line (do not call at Havre).

To Rotterdam.—Lista, Sept. 23; Grey County, Oct. 6—both County Line; Ravnefjell, Sept. 7; Rutenfjell, Sept. 21; Ornefjell, Oct. 5—all Fjell Line.

To Marseilles, Genoa, Leghorn, Naples, Messina, Palermo, Gibraltar and Lisbon.—Capo Olmo, Sept. 12; Capo Noli, Oct. 1—both Capo Line (will also call at Cadiz and/or Seville and/or Casablanca if sufficient cargo offers).

To St. John's, Nfld.—Anna, Shaw SS. Co. Ltd., Sept. 14 (also calls at Harbour Grace, Bay Roberts, Carbonear and Port Union; will touch at Newfoundland south coast ports as cargo offerings warrant); Belle Isle, Newfoundland-Canada SS. Ltd., Sept. 9 and 23 (also calls at St. Pierre-Miquelon).

To Cornerbrook, Nfld.—Gaspesia, Sept. 7 and 21; New Northland, Sept. 12 and 26—both Clarke SS. Co.

To Puerto Rico, Barbados, Trinidad and Demerara.—Chomedy, Sept. 15; Colborne, Sept. 29; Cornwallis, Oct. 13—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To Hamilton, Nassau, Kingston and Belize.—Cavelier (calls at Kingston only), Sept. 9; Lady Somers, Sept. 14; Cathcart (calls at Kingston only), Sept. 23; Lady Rodney, Sept. 28—all Canadian National.

To Bermuda, St. Kitts, Antigua, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Ary Lensen, Sept. 9; Lundby, Sept. 23; Maud, Oct. 7—all Ocean Dominion SS. Corp. (call at Guadeloupe and Martinique if sufficient cargo offered).

To Santos and Buenos Aires.—A steamer, International Freighting Corp., about Oct. 15 (will also call at Rio de Janeiro if sufficient inducement warrants).

To Brisbane, Sydney, Melbourne and Adelaide.—Port Halifax, Montreal Australia New Zealand Line, Sept. 30 (will also call at Geelong).

To Auckland, Wellington, Lyttelton and Dunedin.—Kaimata, Montreal Australia New Zealand Line, Sept. 21.

To Cape Town, Port Elizabeth, East London and Durban.—Egori, Sept. 15; Calumet (also calls at Freetown, Lourenco Marques and Beira), Sept. 27—both Elder Dempster Lines Ltd.

To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Madras, Rangoon, Calcutta and Singapore.—City of Worcester, Sept. 12; City of Bath, Sept. 30—both Canada-India Service.

To Straits Settlements and Netherlands East Indies Ports.—Palembang, Sept. 24; Phemius, Oct. 21—both Blue Funnel Line.

From Quebec

To Southampton.—Empress of Britain, Sept. 10 and 24, Oct. 8; Empress of Australia, Sept. 17—both Canadian Pacific.

From Halifax

To Liverpool.—Nova Scotia, Sept. 4; Newfoundland, Sept. 20—both Furness Line; Manchester Brigade, Sept. 10; Manchester Exporter, Sept. 26—both Manchester Line.

To London.—Dinteldijk, Sept. 15; Beemsterdijk, Sept. 22—both Holland-America Line.

To Manchester.—Manchester Regiment, Sept. 18; Manchester Port, Oct. 2—both Manchester Line.

To Newcastle.—Cairnglen, Sept. 10; Cairnesk, Sept. 24—both Cairn-Thomson Line.

To Cardiff and Bristol.—Boston City, Sept. 12; Bristol City, Oct. 1—both Bristol City and Dominion Lines.

To St. John's, Nfld.—Nova Scotia, Sept. 4; Newfoundland, Sept. 20—both Furness Line; Magnhild (also calls at St. Pierre and Newfoundland outports), Newfoundland Canada

SS. Ltd., Sept. 5 and 19, Oct. 3; Fort Amherst, Sept. 5 and 19; Fort Townshend, Sept. 26—both Furness Red Cross Line (also call at St. Pierre); Portia, Newfoundland Rys. and SS. Co., Sept. 14 and 28.

To Kingston, Jamaica.—Cavelier, Sept. 12 and Oct. 10; Cathcart, Sept. 26—both Canadian National.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Nelson, Sept. 8; Lady Hawkins, Sept. 22; Lady Drake, Oct. 6—all Canadian National; Ary Lensen, Sept. 14; Lundby, Sept. 28; Maud, Oct. 12—all Ocean Dominion SS. Corp. (call at Guadeloupe and Martinique if sufficient cargo offered but not at Nevis or Montserrat).

To Puerto Rico, Barbados, Trinidad and Demerara.—Cornwallis, Sept. 5; Chomedy, Sept. 19; Colborne, Oct. 3—all Canadian National (call at Guadeloupe and Martinique, if sufficient cargo offered).

To Santiago (Cuba) and Kingston (Jamaica).—Lutz, Sept. 7 and Oct. 5; Kirsten B., Sept. 21—both Pickford & Black Ltd. (also call at Jamaican outports as cargo offers).

To Far East Ports.—Malayan Prince, Furness-Prince Line, Sept. 21.

From Saint John

To Liverpool and Manchester.—Manchester Brigade, Manchester Line, Sept. 7.

To London, Newcastle, Aberdeen and Hull.—Gitano, Ellerman's Wilson Line, Sept. 9.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Hawkins, Sept. 14; Lady Drake, Sept. 28; Lady Nelson, Oct. 12—all Canadian National.

To Kingston and Jamaican Outports.—Crawford Ellis, United Fruit Co., Sept. 9 and 23 (cargo accepted for Caribbean, Central and South American ports with transhipment at Kingston).

From Vancouver

To Yokohama, Kobe and Osaka.—Heian Maru, Sept. 10; Hikawa Maru, Oct. 1; Hie Maru, Oct. 15—all Nippon Yusen Kaisha.

To Yokohama, Kobe, Shanghai, Hongkong and Manila.—Empress of Canada (calls at Honolulu), Sept. 17; Empress of Russia (calls at Nagasaki), Oct. 1; Empress of Japan (calls at Honolulu), Oct. 14; Empress of Asia (calls at Nagasaki), Oct. 29—all Canadian Pacific; Tyndareus, Oct. 4; Ixion, Nov. 3—both Blue Funnel Line (call at Miike but not at Manila).

To Tsingtao and Shanghai.—Gemstone (does not call at Shanghai), about Sept. 30; Rupera, about Sept. 30—both North Pacific Shipping Co. Ltd.

To Honolulu, Suva, Auckland and Sydney.—Aorangi, Sept. 28; Niagara, Oct. 26—both Canadian-Australasian Line.

To Manila, Iloilo, Cebu, Soerabaya, Samarang, Batavia, Colombo and Bombay.—Tosari (calls at Saigon, Singapore and Persian Gulf ports, also at Port Swettenham and Belawan Deli if cargo offers), Oct. 1; Silverlaurel (calls at Belawan Deli, will also call at Singapore and Port Swettenham if cargo offers), Oct. 24—both Silver-Java Pacific Line.

To Papeete, Auckland, Wellington, Lyttelton, Dunedin, Melbourne and Sydney.—Tolten, Sept. 20; Speybank (also calls at Napier), Oct. 2—both Canadian-Australasian Line.

To Brisbane, Sydney, Melbourne and Adelaide.—Yngaren, Sept. 10; Tolken, Oct. 10—both Empire Shipping Co. Ltd.

To London, Plymouth, Hull and Swedish Ports.—Axel Johnson, Sept. 23; Margaret Johnson (does not call at Hull), Sept. 30—both Johnson Line.

To London, Liverpool and Rotterdam.—Lochavon (calls Glasgow), Sept. 17; Lochkatrine, Oct. 1—both North Pacific Coast Line.

To Antwerp, Hamburg and Bremen.—Seattle, Sept. 4; Tacoma, Sept. 15; Portland, Sept. 24—all Hamburg-American Line; Este, Sept. 7; Schwaben, Oct. 3; Weser, Nov. 1—all North German Lloyd Line.

To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.—San Diego, Sept. 24; San Jose, Oct. 7—both Empire Shipping Co. Ltd.

To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.—Leme, Sept. 14; Fella, Oct. 8—both Empire Shipping Co. Ltd.

To Port of Spain (Trinidad) and Bridgetown (Barbados).—A steamer, Canadian Transport Co., September.

To Cape Town, Port Elizabeth, East London, Durban and Lourenco Marques.—Manoeran, Sept. 6; Silverwillow, Oct. 7—both Silver-Java Pacific Line (call at Beira and Calcutta, will also at Colombo and Madras if sufficient cargo offers).

To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.—Hoyanger, Sept. 26; Leikanger, Oct. 27—both Empire Shipping Co. Ltd. (will call at West Coast ports if sufficient cargo offered).

Note.—Firms who desire information concerning ocean and mail services may have their names placed on the mailing list of the Post Office Weekly Bulletin by applying to the Post Office Department.

COMMERCIAL INTELLIGENCE SERVICE

L. D. WILGRESS, *Director*

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J. A. STRONG, B. Mitre 430, Buenos Aires (1). (Territory includes Uruguay.) *Cable address, Canadian.*

Australia

Sydney: L. M. COSGRAVE. Address for letters—P.O. Box No. 3952V. Office—City Mutual Life Building, Hunter and Bligh streets. (Territory includes Federal District of Canberra, New South Wales, Queensland, Northern Territory and Dependencies.) *Cable address, Canadian.*

Melbourne: FREDERICK PALMER. Address for letters—Box 196C, G.P.O. Office—Safe Deposit Office Building. (Territory includes States of Victoria, South Australia, Western Australia, and Tasmania.) *Cable address, Canadian.*

Belgium

YVES LAMONTAGNE, Shell Building, 60 Ravenstein Street, Brussels. *Cable address, Canadian.*

Brazil

L. S. GLASS. Address for letters—Caixa Postal 2164, Rio de Janeiro. Office—Ed. Da. "A. Noite," Sala 802, Praca Maua. *Cable address, Canadian.*

British India

PAUL SYKES. Address for letters—P.O. Box 2003, Calcutta. Office—23 Esplanade Mansions, Government Place East, Calcutta. (Territory includes Burma and Ceylon.) *Cable address, Canadian.*

British Malaya

B. C. BUTLER, Union Building, Singapore, Straits Settlements. (Territory includes the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India.) *Cable address, Canadian.*

British West Indies

Trinidad: M. B. PALMER. Address for letters—P.O. Box 125, Port of Spain. Office—Barclay's Bank Building. (Territory includes Barbados, Windward and Leeward Islands, and British Guiana.) *Cable address, Canadian.*

Jamaica: F. W. FRASER, P.O. Box 225, Kingston. Office—Canadian Bank of Commerce Chambers. (Territory includes Haiti, the Bahamas, and British Honduras.) *Cable address, Canadian.*

China

H. A. SCOTT. Address for letters—P.O. Box 264, Shanghai. Office—Ewo Building, 27 The Bund, Shanghai. (Territory includes Central China and North China.) *Cable address, Canadian.*

Cuba

C. S. BISSETT. Address for letters—Apartado 1945, Havana. Office—Royal Bank of Canada Building, Calle Aguiar 75, Havana. (Territory includes Dominican Republic and Puerto Rico.) *Cable address, Canadian.*

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HENRI TURCOT. Address for letters—P.O. Box 1770, Cairo. Office—22 Shari Kasr el Nil, Cairo. (Territory includes the Sudan, Palestine, Cyprus, Iraq, Syria, Iran, Greece, Turkey, Bulgaria, and Roumania.) *Cable address, Canadian.*

France

HERCULE BARRÉ, Commercial Attaché, 3 rue Scribe, Paris (9). (Territory includes French Colonies in North Africa.) *Cable address, Cancomac.*

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J. C. MACGILLIVRAY, Bendlerstrasse 38, Berlin, W.35. (Territory includes Czechoslovakia and Poland.) *Cable address, Cantracom.*

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Ireland

JAMES CORMACK, 66 Upper O'Connell Street, Dublin, Ireland (*cable address, Canadian*); and 36 Victoria Square, Belfast, Northern Ireland.

CANADIAN GOVERNMENT TRADE COMMISSIONERS—*Con.*

Italy

A. B. MUDDIMAN. Via Manzoni Nr. 5. Milan (102). (Territory includes Spain, Portugal, Gibraltar, Malta, Albania, and Yugoslavia.) *Cable address, Canadian.*

Japan

Tokyo: C. M. CROFT, Commercial Secretary. Address for letters—P.O. Box 18, Akasaka Post Office, Tokyo. Office—Canadian Legation, 16 Omotecho, 3-chome, Akasakaku, Tokyo. *Cable address, Canadian.*

Kobe: P. V. McLANE. Address for letters—P.O. Box 230, Kobe. Office—309 Crescent Building, 72 Kyomachi, Kobe. *Cable address, Canadian.*

Mexico

R. T. YOUNG. Address for letters—Apartado Num. 126-Bis, Mexico City. Office—Edificio Banco de Londres y Mexico, Num. 30, Mexico City. (Territory includes Guatemala, Honduras, and Salvador.) *Cable address, Canadian.*

Netherlands

J. A. LANGLEY, Coolsingel 111b, Rotterdam. (Territory includes Switzerland.) *Cable address, Canadian.*

New Zealand

W. F. BULL. Address for letters—P.O. Box 33, Auckland. Office—Yorkshire House, Shortland Street, Auckland. (Territory includes Fiji and Western Samoa.) *Cable address, Canadian.*

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RICHARD GREW, Stortingsgaten 28, Oslo. (Territory includes Sweden, Denmark, and Finland.) *Cable address, Canadian.*

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W. J. RIDDIFORD. Address for letters—P.O. Box 222, Panama City. Office—Royal Bank of Canada Building, Santa Ana Plaza, Panama City. (Territory includes the Canal Zone, Venezuela, Colombia, Nicaragua, and Costa Rica.) *Cable address, Canadian.*

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M. J. VECHSLER. Address for letters—Casilla 1212, Lima. Office—Portal de Belén No. 166, Plaza San Martin, Lima. (Territory includes Bolivia, Ecuador, and Chile.) *Cable address, Canadian.*

South Africa

Cape Town: G. R. HEASMAN. Address for letters—P.O. Box 683. Office—Cleghorn & Harris Building, Adderley Street. (Territory includes Cape Province and Southwest Africa, Natal, Tanganyika, Kenya, Uganda, Mauritius, and Madagascar.) *Cable address, Cantracom.*

Johannesburg: J. L. MUTTER. Address for letters—P.O. Box 715. Office—Prudential Assurance Bldg., 92 Fox Street. (Territory includes Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland.) *Cable address, Cantracom.*

United Kingdom

London: FREDERIC HUDD, Chief Trade Commissioner in the United Kingdom, Canada House, Trafalgar Square, S.W.1. *Cable address, Sleighing, London.*

London: J. H. ENGLISH, Trade Commissioner, Canada House, Trafalgar Square, S.W.1. (Territory includes Home Counties, Southeastern Counties, and East Anglia.) *Cable address, Sleighing, London.*

London: W. B. GORNALL, Fruit Trade Commissioner, Aldine House, Bedford Street, Strand, W.C.2. *Cable address, Canfrucum.* (Territory—for fresh fruit only—includes United Kingdom, Norway, Denmark, Sweden, France, Holland, Belgium, and Germany.)

London: W. A. WILSON, Animal Products Trade Commissioner, Canada House, Trafalgar Square, S.W.1. *Cable address, Agrilison.*

Liverpool: ACTING TRADE COMMISSIONER, Martins Bank Building, Water Street. (Territory includes North of England, Lincolnshire, North Midlands, and North Wales.) *Cable address, Canadian.*

Bristol: E. L. MCCOLL, Northcliffe House, Colston Avenue. (Territory includes West of England, South Wales, and South Midlands.) *Cable address, Canadian.*

Glasgow: G. B. JOHNSON, 200 St. Vincent Street. (Territory covers Scotland.) *Cable address, Cantracom.*

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D. S. COLE, British Empire Building, Rockefeller Center, New York City. (Territory includes Bermuda.) *Cable address, Cantracom.*

Note.—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.

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COMMERCIAL INTELLIGENCE JOURNAL

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No. 1806



Army Bakery and Cold Stores at Singapore, Straits Settlements.
A Large Percentage of Canadian Flour is used.

ISSUED BY AUTHORITY OF
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE
JAMES G. PARMELEE, DEPUTY MINISTER

CONTENTS

	Page
Distribution of United Kingdom Trade, January to June....	409
Trade Commissioners on Tour.....	410
Potato Market in the British West Indies (Eastern Group) and British Guiana.....	411
Market for Apples in the British West Indies (Eastern Group) and British Guiana.....	413
Bermuda Market for Canadian Apples.....	415
Trade of Jamaica in 1937	
II. Details of Principal Imports—Con.....	417
Trade of Southern Rhodesia in 1937.....	425
Market for Canned Mushrooms in South Africa.....	430
Market for Potatoes in Hongkong.....	431
Economic Conditions in British Malaya.....	433
Middle Asia Market for Potatoes.....	437
United States Christmas Tree Trade.....	440
Markets for Honey in Norway and Sweden.....	442
Trade of Italy, January to June.....	445
Catalogues for Mexico City Office.....	447
United Kingdom Merchandise Marks Act.....	447
Tariff Changes and Customs Regulations.....	447
Foreign Exchange Quotations.....	451
Trade Inquiries for Canadian Products.....	452
Proposed Sailings from Canadian Ports.....	452
Commercial Intelligence Service.....	455

No. 1806

FREDERIC HUDD, CHIEF CANADIAN TRADE COMMISSIONER IN THE

London, August 25, 1938.—A general report on the overseas trade of the United Kingdom in the first half of 1938 was published in *Commercial Intelligence Journal* No. 1802 (August 13, 1938), page 225, and an analysis in the *Board of Trade Journal* sets forth details of this trade in terms of percentages, thereby indicating the current trends of the external trade of the United Kingdom.

The appended table summarizes the distribution of the trade of the United Kingdom between British and foreign countries in the first six months of 1938, giving comparative data also for 1929 and 1937:—

TRADE WITH BRITISH COUNTRIES

The proportion of United Kingdom imports consigned from British Empire countries was lower than in the corresponding period of 1937, an increase in

imports from the United States having reduced the proportionate shares of other countries. There was an increase for the Dominions as a whole, due entirely to the marked rise in the proportion of imports from Australia, while there were marked reductions in the case of India and the Colonial Empire. Compared with the first half of 1929, a very substantial rise has taken place in the proportion of United Kingdom imports from British countries, particularly from Canada and Australia.

With respect to United Kingdom exports in the first six months of 1938, more than 50 per cent were consigned to British Empire countries, the increase being largely due to the rise from 6·70 to 8·38 per cent in the proportion of the exports to Australia. Other Dominions showed only a small increase in the aggregate. India and the Colonial Empire also took larger shares of United Kingdom exports.

TRADE WITH CANADA

The value of United Kingdom imports from Canada in the first half of 1938 decreased to £37,105,554 as compared with £39,566,558 in the corresponding period of 1937, making Canada's share of total United Kingdom importations 7·9 per cent as compared with 8·19 per cent in the corresponding previous period. In the same period United Kingdom exports to Canada decreased, having a value of £11,324,741 as compared with £12,900,509 in the corresponding period of the previous year and representing 4·86 per cent of the total export trade of the United Kingdom as compared with 5·13 per cent in the 1937 period. Re-exports to Canada in the period had a value of £577,764 as compared with £763,120, representing 1·76 per cent of the United Kingdom's total re-exportations as compared with 1·88 per cent for the corresponding months of 1937.

TRADE COMMISSIONERS ON TOUR

Mr. J. L. Mutter, Canadian Trade Commissioner at Johannesburg, South Africa (whose territory includes the Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland); and Mr. M. J. Vechsler, Canadian Trade Commissioner at Lima, Peru (whose territory includes Bolivia, Ecuador, and Chile), are visiting the principal industrial centres of Canada in the interest of Canadian trade with their respective territories. Their itineraries are as follows:—

Mr. Mutter

Victoria, Vancouver and New Westminster..	Sept. 16 to 24	Calgary..	Sept. 29
Vernon..	Sept. 26	Winnipeg..	Oct. 1
Summerland..	Sept. 27	Ottawa..	Oct. 3

Mr. Vechsler

Toronto..	Sept. 12 to 20	Ottawa..	Sept. 23
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Firms who wish to be brought in touch with the Trade Commissioners should communicate: for Toronto, Winnipeg, and Vancouver, with the office of the Canadian Manufacturers Association; and for the other centres, with the respective Board of Trade or Chamber of Commerce.

POTATO MARKET IN THE BRITISH WEST INDIES (EASTERN GROUP) AND BRITISH GUIANA

G. A. NEWMAN, ASSISTANT TRADE COMMISSIONER

Port of Spain, August 3, 1938.—There is a steady demand for Canadian table stock potatoes in the Eastern Group of the British West Indies and in British Guiana. The fact that the demand in these markets, Barbados excepted, is for potatoes of small size—not more than five or six to the pound—grading as Eastern Canada No. 1 Small—combined with the advantage of British preferential tariffs and a regular shipping service, has made the British West Indies and British Guiana attractive to Canadian shippers.

Imports are fairly steady from year to year and in sufficient volume to make this area the second largest export market for Canadian table stock potatoes, following the United States.

IMPORTS

Imports from Canada in 1937 were higher in total value than in recent years; the volume, although larger than in 1936, was about the same as in 1935. Imports in 1937 and 1936 were as follows:—

Trinidad

	1937		1936	
	Cwt.	\$	Cwt.	\$
Canada.. . . .	66,999	122,808	49,085	91,631
Holland.. . . .	13,702	19,231	17,191	26,478
Malta.. . . .	1,893	4,904	743	1,537
United States.. . . .	2,128	3,593	1,242	2,550
Other countries.. . . .	1,665	2,869	4,065	9,808
Total.. . . .	86,387	\$153,405	72,326	\$132,004

Barbados

	1937		1936	
	Lbs.	\$	Lbs.	\$
Canada.. . . .	1,918,712	28,776	1,423,041	17,928
Holland.. . . .	944,825	14,174	908,635	11,448
Ireland (Eire).. . . .	293,326	4,401	38,762	489
Northern Ireland.. . . .	32,928	494	13,100	163
United Kingdom.. . . .	106,340	1,593	210,538	2,654
Other countries.. . . .	67,283	1,008	1,574	19
Total.. . . .	3,363,414	\$50,446	2,595,650	\$32,701

British Guiana

	1937		1936	
	Lbs.	\$	Lbs.	\$
Canada.. . . .	6,241,093	117,979	4,403,381	79,653
Holland.. . . .	1,560,052	22,106	2,332,725	34,577
British West Indies.. . . .	406,608	6,001	344,870	5,125
United Kingdom.. . . .	47,720	1,050	73,308	1,192
Other countries.. . . .	139,438	3,776	180,921	4,173
Total.. . . .	8,394,911	\$150,912	7,335,205	\$124,720

The remaining markets, the Leeward and Windward Islands, account for only about 5 per cent of the total imports into this territory. Imports into the Leeward Islands—Antigua, St. Kitts, Dominica, Montserrat, and Virgin Islands—in 1936 were valued at £1,280 as against £1,555 in 1935 and into the Windward Islands of St. Lucia, Grenada, and St. Vincent at £1,107 as compared with £1,360.

COMPETITION

British preferential tariffs have the effect of reducing foreign competition, most of which is provided by shipments from Holland, which reach their peak in the months of June to September. Thereafter price conditions are dependent largely upon the volume of shipments from the Dominion, although imports from the United Kingdom and Ireland may be a factor when the price level is unduly high.

Climatic conditions are not conducive to domestic production, so that consumption is reflected almost completely in imports, although the supply of certain ground crops such as Chinese edoes, yams, and sweet potatoes from November to January may limit imports during that period.

MARKETING

Canadian exporters sell through local commission houses to importing merchants. Prices, quoted c.i.f. port of arrival, include a commission of 10 cents per barrel of 160 to 168 pounds or 5 cents per bag of 90 pounds, terms being fifteen to thirty days' sight draft, documents on acceptance. Quality is guaranteed on arrival. In the Barbados, however, commission agents frequently act as principals.

PRICES

This season Dutch exporters are quoting 4s. 11d. (\$1.18) to 6s. (\$1.44) per 50-kilo (one kilo equals 2.2 pounds) bag c.i.f. Trinidad. These prices are slightly lower than those of last year.

Allowing for the effect of British preferential tariffs, Canadian quotations for new potatoes at \$3.10 to \$3.20 per 160-pound barrel c.i.f. should prove competitive.

Last year Canadian prices opened at about \$2.75 per barrel c.i.f. and then dropped to a level of \$2.10 to \$2.25 until February, when a steady price of \$2.40 was realized for Eastern Canada No. 1 Small and \$2.55 for Medium potatoes. Towards the close of the season, in May-June, prices were as high as \$3 and more per barrel.

QUALITY AND SIZE

It is estimated that on the average potatoes cost about 2 cents per pound landed Port of Spain; $2\frac{1}{2}$ cents per pound wholesale and from 3 to $3\frac{1}{2}$ cents retail. For from 3 to 4 cents per pound the natives like to obtain from five to six small potatoes, and consequently the demand has been for a medium-sized or an Eastern Canada No. 1 Small potato, which has been graded as not less than $1\frac{3}{4}$ inch or more than $2\frac{1}{4}$ inches in diameter. Towards the end of the season, when the quality of small potatoes is questionable, there is a moderate demand for the larger size. Tropical climatic temperatures require that potatoes be firm and free from blemishes. The popular demand is for a light-skinned potato.

Barbados differs from Trinidad in that the former market prefers a potato of larger size than a No. 2 or Eastern Canada No. 1 Small.

PACKING

The question of a suitable method of packing Canadian potatoes is important for Canadian shippers. Claims have been frequent in the past, and with the present practice of guaranteeing quality on arrival, it is essential that the best method with a view to the maintenance of quality in transit be adopted.

Canadian potatoes arrive on the Trinidad market packed in 160-pound barrels (net weight) and 90-pound bags. In Barbados the trade is largely in bag shipments, and the bulk of the imports into British Guiana is in barrels.

The extremely warm, humid atmosphere of the rainy season during the months of July to August renders this period a difficult one for importing Canadian potatoes in good condition, and exporters in the Dominion are advised to withhold shipments during these months. During June and September the use of barrels rather than bags is recommended. It has been found that new season potatoes, on account of their heavy moisture content and delicate skins, are easily damaged in bags, resulting in claims by importers for decayed shipments. Conversely, at the end of the season, after the potatoes have been stored for long periods prior to shipment, the deterioration of both potatoes and bags has resulted in broken bags and decayed potatoes.

SHIPMENTS FROM HOLLAND

Dutch potatoes, although they are firmer and have tougher skins than Canadian potatoes, thereby rendering them adaptable to packing in bags, are shipped to the British West Indies markets (except Barbados, for which bags are mostly used) in both bags and crates. The crates, measuring $17\frac{1}{4}$ inches by $13\frac{3}{4}$ inches by $11\frac{1}{2}$ inches and containing 25 to 30 kilos (55 to 132 pounds) of potatoes, are well regarded by the trade in Trinidad and British Guiana. Made of $2\frac{1}{2}$ -inch slats on sides and ends and bound at the ends with metal strapping, they permit of free ventilation and, as the weight of potatoes in a container is not excessive, the possibility of sweating and decay, which has been observed in the case of a number of the heavier barrel shipments, is reduced.

If it would not materially increase Canadian packing and shipping costs, the Dutch method of packing potatoes in crates merits the attention of Canadian shippers.

A moderate improvement in barrel shipments is effected by boring air holes in the sides of the barrel at irregular intervals.

GUARANTEE OF SHIPMENTS

While there are justifiable reasons for importers demanding that potatoes be guaranteed as to good quality on arrival, it would be advisable for Canadian shippers to specify a time limit to this guarantee of possibly two days after arrival of shipments. Potatoes decompose quickly in tropical temperatures, and some safeguard against unfair claims would be warranted in the sales contract of shippers' agents.

MARKET FOR APPLES IN BRITISH WEST INDIES (THE EASTERN GROUP) AND BRITISH GUIANA

G. A. NEWMAN, ASSISTANT TRADE COMMISSIONER

Port of Spain, Trinidad, August 4, 1938.—Fresh apples are regarded as a luxury in the British West Indies, to be purchased during the Christmas season. Imports are heaviest, therefore, during the six-weeks period November 1 to December 15. Thereafter there is a small but steady sale from cold storage stocks held locally or in Halifax.

Shipments to this territory are distributed among the three major markets of Trinidad, Barbados, and British Guiana, which take more than 95 per cent of the imports. Total imports into these markets in 1937 amounted to about \$33,016 in value, 64 per cent (\$21,148) being of Canadian origin and the

remainder drawn largely from the United States, as shown by the following detailed figures for 1937 and 1936:—

Trinidad

	1937		1936	
	Cwt.	\$	Cwt.	\$
Canada.. . . .	2,446	12,180	1,956	10,875
United States.. . . .	1,184	7,540	1,031	5,849
New Zealand.. . . .	8	80	20	130
United Kingdom.. . . .	3	39	1	9
	3,641	19,839	3,008	16,863

British Guiana

	1937		1936	
	Lbs.	\$	Lbs.	\$
Canada.. . . .	140,714	6,554	124,758	6,050
United States.. . . .	28,315	2,541	20,851	1,708
New Zealand.. . . .	1,327	110	1,240	102
United Kingdom.. . . .	130	13	85	3
	170,486	9,218	146,934	7,863

Barbados

	1937		1936	
	Brls.	\$	Brls.	\$
Canada.. . . .	336	2,414	341	3,673
United States.. . . .	214	1,545	148	1,420
	550	3,959	489	5,093

PACKING

About 31 per cent of the Canadian apples sold on the Trinidad market are packed in 50-pound boxes; the remainder, imported from Canada and the United States, are packed in 160-pound barrels. Barrelled apples constitute the major share of the imports into Barbados and British Guiana.

BOXED APPLES

For some years Canadian boxed apples have been imported from British Columbia through local commission agents for sale by a few leading retail stores to the wealthier classes of the population. Extra Fancy Yellow Newtown Pippins have been generally accepted because, on account of their firmness, they are adapted to long periods of cold storage and to exposure under tropical conditions.

Although the Delicious apple lacks the keeping quality of the Newtown Pippin, it has been imported in increasing quantities during the past three years into Trinidad and is well established on the Barbados market. In British Guiana, however, the Newtown Pippin is still the predominant boxed apple.

Boxed apples are imported in counts of 80, 90, 100, 113, and 115, the average size in demand being 113 count.

British Columbia apples are shipped by rail to Halifax to take advantage of the frequent regular sailings available during the short British West Indies market season. Shipments by boat are forwarded in cold storage.

The trade in boxed apples is largely controlled by one Canadian exporter with established connections in these markets.

Prices quoted during the 1937 season were about \$2.85 per box c.i.f. for McIntosh Reds and \$2.95 per box c.i.f. for Newtown Pippins, the shipping cost from Halifax in cold storage being 40 cents per cubic foot.

BARRELLED APPLES

Barrelled apples from Eastern Canada and the United States are sold through commission agents to importing wholesale provision merchants, who

in turn dispose of them to "marchands" or negro women street vendors. It is the practice of the street vendors to place a deposit on a barrel of apples and complete the purchase as the fruit is withdrawn for daily sales. Apples of good keeping quality are necessary, and in this respect the Ben Davis appears to give most satisfaction. Supplied in sizes of 2½ inches and upwards, it comprises the bulk of the shipments from New York and a fair portion of the imports from Canada. The barrelled apples imported are with few exceptions red in colour.

The first shipment of Canadian barrelled apples this season is expected on the Trinidad market about the middle of September. Thereafter the volume of imports is likely to increase up to about December 15, and, judging from previous seasons, should consist of such varieties as Gravenstein, Baldwins, Kings, Ben Davis, Wagener, and Northern Spy. In addition, such other varieties as Wines and Rome Beauties are imported from the United States.

PRICES

Last year the cost of Canadian apples on the Trinidad market averaged about \$5.75 c.i.f. per 160-pound barrel. Canadian apples are duty free on the Trinidad and Barbados markets. Agents' commissions vary between 25 and 50 cents per barrel, and freight rates from Halifax to Trinidad amount to \$1.50 per barrel.

United States quotations on barrelled apples last year varied between \$5 and \$5.50 per barrel c.i.f. Trinidad, but, as will be noted from the following schedule, were subject to a general tariff which gave Canadian shippers considerable competitive advantage.

TARIFFS

The tariffs applicable to apples imported into the three major markets of the Eastern Group of the British West Indies are as follows:—

	British Preferential	General
Trinidad.. . . .	Free	50 cts. per 160 lbs.
	Surtax 15%	
Barbados.. . . .	Free	2s. 1d. per barrel
	Surtax 10%	
British Guiana.. . . .	50 cts. per barrel	\$1.50 per barrel
	Surtax 30%	
	Bill of entry tax, 3% ad valorem	

BERMUDA MARKET FOR CANADIAN APPLES

D. S. COLE, CANADIAN TRADE COMMISSIONER

New York, August 27, 1938.—The decrease in sales of Canadian apples in Bermuda during the past year is due largely to the heavy crop of United States apples, which were sold at low prices in New York. Hamilton is the centre of distribution for supplies of fresh apples in Bermuda. The chief sources of supply are the United States, Canada, Australia, and New Zealand.

Figures for imports of fresh apples are not shown separately in the trade statistics issued by the Bermuda Government, all fresh fruits appearing under one heading; Canadian and United States Government statistics are therefore used in this report.

CANADIAN SUPPLIES

The Dominion Bureau of Statistics report exports of fresh apples from Canada to Bermuda in the first three months of 1938 as amounting to 532 barrels (\$1,770). In the calendar year 1937 Canadian shipments totalled 1,192 barrels (\$7,095) as compared with 2,632 barrels (\$8,611) in 1936, 4,239 barrels (\$15,588) in 1935, and 4,868 barrels (\$16,751) in 1934.

Supplies consist chiefly of barrelled apples, almost exclusively from Nova Scotia, which are used largely for cooking purposes in the tourist and hotel trade. The term "cooking apples" is, however, incorrect, as a considerable quantity is used as fresh fruit.

UNITED STATES SUPPLIES

Fresh apple exports from the United States to Bermuda, as shown by statistics of the United States Department of Commerce, are as follows:—

Year	Baskets		Boxes		Barrels	
	No.	\$	No.	\$	No.	\$
1938, Jan.-May incl... ..	2,903	3,300	2,520	4,863	428	1,641
1937.. .. .	1,747	2,517	3,431	9,100	885	3,397
1936.. .. .	2,104	3,311	6,471	13,796	1,515	5,810
1935.. .. .	1,778	1,247	2,959	7,138	865	3,547

VARIETIES AND GRADES IN DEMAND

The chief demand in Bermuda is for a good red apple, sound and juicy, of medium size (from 2 to 2½ inches), uniform in grading and with plenty of colour. The chief varieties in demand are Gravenstein, King, Winesap, Wagener, Baldwin, McIntosh, Delicious, and Spy.

PRICES AND PACKING

Despite the fact that there is a certain demand to meet the requirements of the tourist trade, price is still the main factor in obtaining the major share of the Bermuda market for Canadian barrelled apples. One importer states that Gravenstein and King are much favoured and there is a good demand for these varieties.

First shipments are made to Bermuda in September, beginning with Gravensteins, as the poor keeping quality of the earlier varieties render them unsuitable for export to this sub-tropical market. As regards packing, the standard Canadian barrel is quite satisfactory.

The demand for boxed apples is restricted chiefly to counts of from 113 to 125, but there is also a demand for a smaller apple.

Current prices are \$2.25 per box f.o.b. New York City, the bulk of the 1937 shipments bringing approximately \$2 per box f.o.b. New York City. New York firms state that the Delicious is the most favoured variety.

DUTY

There is no import duty on fresh apples either from Empire sources or foreign countries.

TRADE PRACTICES

According to general practice, orders are taken by agents in Bermuda; apples are shipped both on consignment and on sales made f.o.b. Halifax. Nova Scotia shippers are represented in Bermuda by about six distributing agents who order their requirements, according to the demand, from their respective principals. Occasionally, especially when United Kingdom market prices for Canadian apples are low, wholesale and retail firms receive supplies on consignment.

Owing to the smallness of the Bermuda market, there has been some difficulty during the past year in interesting additional shippers from the Maritime Provinces in the Bermuda market, and one Bermuda agent reports that he is still desirous of getting in touch with an exporter of Nova Scotia apples. Interested Canadian firms should communicate with the office of the Canadian Trade Commissioner, 620 Fifth Avenue, New York City.

SALES PROSPECTS

Despite the small population of 30,000 people and a tourist traffic of approximately 75,000 per annum, there is a reasonably good market for Canadian barrelled and boxed apples, and provided lower United States prices can be met, it is possible that British Columbia boxed apples will find an increased market, particularly in the hotel and better-class table trade. In the barrel apple trade there is an opening for at least one additional shipper from the Maritime Provinces.

TRADE OF JAMAICA IN 1937

F. W. FRASER, CANADIAN TRADE COMMISSIONER

II. Imports—Continued

Following are additional detailed figures for the principal commodities imported into Jamaica in 1937:—

CLASS II—RAW MATERIALS AND ARTICLES MAINLY UNMANUFACTURED

Coal, Bituminous (a) for Bunkering.—Total, 99,910 long tons (£111,956): United States, 83,160 tons (£94,569); United Kingdom, 12,750 tons (£13,387); Poland, 4,000 tons (£4,000). Total imports in 1936 were 139,794 tons (£147,120).

(b) For Other Purposes.—Total, 12,758 tons (£24,746), entirely from the United Kingdom. The 1936 total was 26,828 tons (£37,600).

(c) Coke and Patent Fuel.—Total, £509: United Kingdom, £234; Poland, £150; United States, £125.

Charcoal.—Total, 1,213 pounds (£20), from the United Kingdom and Germany.

Fibre, Raw.—Total, £2,637: United Kingdom, £2,629.

Gums.—Total, 11,350 pounds (£284), chiefly from the United Kingdom and Egypt.

Hay and Chaff.—Total, 125,649 pounds (£370), entirely from Canada.

Manures, Not Chemical.—Total, 332 tons (£515), from the Cayman Island, the Serrana Cays, and the United States.

Plants, Seeds, and Bulbs for Propagation.—Total, £3,572: Canada, £2,283; United Kingdom, £685; United States, 457. Seed potatoes were the chief item.

Wood and Timber (a) Douglas Fir, Rough.—Total, 129,906 feet (£1,198), entirely from Canada.

(b) Douglas Fir, Dressed.—Total, 95,389 feet (£1,451), entirely from Canada.

(c) Pitch Pine, Rough.—Total, 6,080,513 feet (£55,329): United States, 5,033,836 feet (£46,706); Bahamas, 1,038,866 feet (£8,537); British Honduras, 7,756 feet (£85).

(d) Pitch Pine, Dressed.—Total, 8,170,781 feet (£84,620): United States, 7,354,414 feet (£74,721); Bahamas, 815,785 feet (£9,892); small remainder from British Honduras and Cayman Islands.

Imports of rough and dressed pitch pine in 1936 totalled respectively 6,450,983 feet (£46,042) and 7,008,876 feet (£55,572). Prices rose considerably in 1937.

(e) White Pine, Rough.—Total, 69,065 feet (£732), entirely from Canada.

(f) White Pine, Dressed.—Total, 59,978 feet (£878), entirely from Canada.

(g) Unenumerated, Rough.—Total, 32,848 feet (£616), from British Guiana, the United States, and British Honduras, in that order.

(h) Unenumerated, Dressed.—Total, 22,864 feet (£591): United States, 14,558 feet (£396); Canada, 4,591 feet (£160); British Honduras, 3,715 feet (£35).

(i) Shingles, Cypress and Wallaba.—Total, 358,000 in number (£1,423), entirely from the United States.

(j) Cedar and Other Kinds.—Total, 1,725,910 in number (£4,115): Canada, 1,460,302 (£3,363); United States, 265,608 (£752).

On all lumber and shingles imported into Jamaica, there are specific duties (i.e., according to quantity) plus, in the case of foreign products, 10 per cent ad valorem, which has been assessed c.i.f. Kingston, Jamaica since April 1, 1937, instead of, as formerly, f.o.b. country of origin. On Canadian lumber and shingles, and for the same reason on Canadian box shooks, the Jamaican tariff preference has been increased as from that date, and the trade promotion work done on behalf of British Columbia Douglas fir has been followed by a notable increase in Jamaica's imports of this wood.

CLASS III—ARTICLES WHOLLY OR MAINLY MANUFACTURED

Advertising Matter.—Total, £1,484.: United States, £708; United Kingdom, £460; Canada, £226.

Apparel.—Total, £167,159: Hongkong, £87,281; United Kingdom, £40,632; Canada, £23,150; United States, £5,663; Japan, £5,183; China £4,840. Imports totalled £130,547 in 1936, when Hongkong likewise was the largest individual supplier.

Ammunition (a) Cartridges.—Total, 629,250 in number (£2,480): United Kingdom, 371,350 (£1,411); United States, 254,200 (£1,049); Belgium, 3,700 (£20).

(b) Dynamite.—Total, 75,800 pounds (£3,800); United Kingdom, 64,900 pounds (£3,249); United States, 10,900 pounds (£551).

(c) Other Kinds, Unspecified.—Total £1,413, from the United Kingdom.

There were also small imports of firearms and parts, shot, blasting powder and ordinary gunpowder.

Asphalt (Not Pitch or Tar).—Total, 7,768,177 pounds (£20,382): Trinidad, 7,313,015 pounds (£18,366); United States, 452,292 pounds (£2,000); small remainder from Mexico and Canada.

Imports of pitch and tar were quite small.

Bags and Sacks for putting up Jamaican Produce.—Total, 1,865,623 in number (£45,779); India, 1,807,200 (£44,436); United Kingdom, 48,423 (£1,164); United States, 10,000 (£179). Imports of these jute bags totalled 1,538,842 (£40,309) in 1936. In 1937 other kinds of bags and sacks were imported, totalling 8,500 in number (£114).

Bags, Travelling and Tool.—Total, 58,337 in number (£7,920): United Kingdom, 48,671 (£6,287); Hongkong, 4,616 (£763); Germany, 2,373 (£322); United States, 1,389 (£409); Canada, 1,044 (£91); Japan, 237 (£46).

Beekeeping Apparatus.—Total, £592: United States, £563; Canada, £18; United Kingdom, £11.

Blacking and Polishes.—Total, 377,582 pounds (£13,019): United Kingdom, 272,894 pounds (£10,469); Japan, 54,564 pounds (£506); United States, 46,161 pounds (£1,876); Canada, 2,532 pounds (£97); small remainder from Czechoslovakia and Germany.

Blue.—Total, 91,730 pounds (£3,891): United Kingdom, 82,682 pounds (£3,694); Germany, 5,641 pounds (£130); Belgium, 3,142 pounds (£53); small remainder from Holland and the United States.

Books Printed.—Total, £20,802: United Kingdom, £15,376; United States, £4,498; Canada, £708; Austria, £92. Imports totalled £17,583 in 1936.

Unprinted books (chiefly for accounting purposes) were imported in 1937 to the total value of £1,442, principally from the United Kingdom.

Boots and Shoes (a) of Leather.—Total, 55,810 dozen pairs (£163,902): United Kingdom, 39,625 dozens (£105,476); Canada, 11,160 dozens (£45,359); Hongkong, 4,529 dozens (£8,336); Czechoslovakia, 446 dozens (£1,529); small remainder from the United States and Trinidad. The imports from Canada consisted entirely of women's shoes; Canadian styles are preferred.

Total imports in 1936 were 38,986 dozens (£115,672).

(b) Of Rubber or Canvas, with Rubber Soles.—Total, 116,996 dozen pairs (£70,133): Hongkong, 88,068 dozens (£52,038); India, 22,870 dozens (£12,934); United Kingdom, 3,855 dozens (£2,409); Canada, 689 dozens (£835); small remainder from France and Japan.

The 1936 imports totalled 102,384 dozen pairs (£63,669).

(c) Of Other Materials.—Total, 5,540 dozen pairs (£1,283): Hongkong, 5,070 dozens (£777); United Kingdom, 372 dozens (£319); Canada, 54 dozens (£165); small remainder from China, France and Japan.

Total imports in 1936 were 2,291 dozen pairs (£1,095).

Bricks and Tiles.—Total, 310,260 in number (£2,953): United Kingdom, 133,555 (£1,743); Germany, 105,689 (£572); Japan, 37,406 (£152); Cuba, 25,080 (£301); United States, 8,530 (£185).

Brooms and Brushes.—Total, 329,229 in number (£7,021); United Kingdom, 72,970 (£3,567); United States, 34,030 (£1,497); Japan, 187,410 (£1,201); Canada, 9,649 (£479); Germany, 11,412 (£152); Hongkong, 4,036 (£40).

Buckets, Pails and Tubs of Metal.—Total, 35,335 in number (£2,625): United Kingdom, 28,146 (£2,002); Canada, 5,124 (£482); Belgium, 984 (£51); United States, 973 (£75); Germany, 108 (£15).

Candles, not Tallow.—Total, 40,795 pounds (£909): United Kingdom, 36,828 pounds (£721); United States, 3,598 pounds (£183); Japan, 333 pounds (£5); small remainder from Canada and Hongkong. Imports of tallow candles totalled 2,741 pounds (£96), almost entirely from the United Kingdom; and of church candles £93, entirely from the United States. A purchase of the latter has lately been made from Canada.

Carriages, Carts and Wagons (a) Bicycles and Tricycles.—Total, 4,255 in number (£11,326): United Kingdom, 4,152 (£11,184); Japan, 54 (£80); Canada, 45 (£47).

(b) *Tires and Tubes for Bicycles and Tricycles*.—Total, 59,525 in number (£4,573): United Kingdom, 44,130 (£3,746); Belgium, 13,762 (£653); Germany, 487 (£64); Holland, 500 (£49).

(c) *Other Parts of Bicycles and Tricycles*.—Total, £6,658: United Kingdom, £4,697; Germany, £1,441; Japan, £485.

(d) *Motor Cars*.—Total, 1,154 in number (£165,778): Canada, 547 (£82,988); United States, 274 (£41,052); United Kingdom, 298 (£38,025); Germany, 35 (£3,713). Total imports in 1936 were 1,042 (£147,594).

(e) *Motor Car Tires*.—Total, 22,228 in number (£42,273): Canada, 15,084 (£29,042); United Kingdom, 5,919 (£10,907); Czechoslovakia, 783 (£1,420); United States, 433 (£873). The 1936 total was 18,441 (£30,696).

(f) *Motor Car Tubes*.—Total, 16,510 in number (£3,971): Canada, 11,542 (£2,769); United Kingdom, 3,952 (£989); Czechoslovakia, 948 (£187); United States, 64 (£23). Imports in 1936 totalled 14,155 (£3,304).

(g) *Other Parts of Motor Cars*.—Total, £39,419: United States, £25,286; Canada, £7,015; United Kingdom, £6,883. The 1936 total was £29,799.

(h) *Motor Cycles*.—Total, 39 in number (£1,324): United Kingdom, 17 (£958); Germany, 17 (£245); United States, 5 (£121).

(i) *Motor Cycle Tires and Tubes*.—Total, 270 in number (£242), entirely from the United Kingdom. Other parts of motor cycles totalled £43, supplied mostly from Great Britain.

(j) *Motor Trucks*.—Total, 509 in number (£85,339): Canada, 263 (£39,178); United States, 126 (£22,877); United Kingdom, 104 (£18,731); Germany, 16 (£4,553). The 1936 total was 392 (£63,741).

(k) *Tires for Motor Trucks*.—Total, 5,568 in number (£19,709): Canada, 5,357 (£18,974); United Kingdom, 149 (£400); United States, 82 (£335); the 1936 total was 5,266 (£18,301).

(l) *Tubes for Motor Trucks*.—Total, 4,191 in number (£1,646): Canada, 4,000 (£1,561); United Kingdom, 140 (£62); United States, 51 (£23). Total imports in 1936 were 3,541 (£1,421).

(m) *Other Parts of Motor Trucks*.—Total, £1,782: United States, £1,041; United Kingdom, £408; Germany, £324. The 1936 total was £1,427.

Imports of motor vehicles in 1937 were greater than in any previous year.

(n) *Railway Rolling Stock*.—Total, £3,926: Canada, £1,563; United Kingdom, £1,303; Germany, £635; United States, £414.

(o) *Other Carriages*.—Total, £551: United Kingdom, £374; United States, £75; Canada, £72; Japan, £30.

(p) *Parts of Other Carriages*.—Total, £2,031: United Kingdom, £1,203; United States, £664; Germany, £111; Canada, £53.

Cement, Portland.—Total, 166,154 barrels of 375 pounds net (£68,909): United Kingdom, 127,545 barrels (£54,060); Germany, 23,166 barrels (£9,508); Denmark, 12,800 barrels (£5,162); Belgium, 2,098 barrels (£759); Canada, 500 barrels (£256); United States, 45 barrels (£64). Total imports in 1936 were 130,826 barrels (£53,256).

These were of approved brands; of other brands, imports in 1937 totalled 77 barrels of 375 pounds net (£79) and originated in the United Kingdom and France.

The largest individual user of cement in Jamaica is the Government, whose public development program, including the construction of several buildings, may be expected to maintain the demand for this material.

The proposal, made many years ago, to build a cement manufacturing plant in the colony has lately been revived and is being examined by a committee of the Jamaica Agricultural Society, a semi-official body. It is claimed that abundant supplies of the requisite raw material (clay and lime) exist in the Island.

Chemicals (a) Calcium Carbide.—Total, 56,719 pounds (£478): Canada, 37,000 pounds (£314); Poland, 17,171 pounds (£138); Holland, 2,016 pounds (£17); United Kingdom, 420 pounds (£8).

(b) *Disinfectants*.—Total, £2,247: United Kingdom, £1,979; United States, £152; Germany, £116.

(c) *Insecticides and Vermin Killers*.—Total, £16,707: United States, £7,529; Germany, £5,625; United Kingdom, £3,251; Canada, £175; Belgium, £74; Japan, £53. These articles are sold in a wide variety, largely for household use.

(d) *Tanning and Dyeing Materials*.—Total, £3,143: United States, £1,262; Argentina, £856; Germany, £523; United Kingdom, £442; Paraguay, £54.

(e) *Other Kinds*.—Total, £28,794: United Kingdom, £16,142; United States, £5,174; Russia, £1,678; Canada, £1,672; Trinidad, £1,667.

Chinaware, Porcelain, Earthenware and Pottery.—Total, £20,763: United Kingdom, £6,595; Japan, £5,901; Germany, £3,449; United States, £2,228; Belgium, £2,209.

Clocks.—Total, 17,796 in number (£2,393): Germany, 12,241 (£1,375); Japan, 3,181 (£302); United States, 848 (£284); United Kingdom, 401 (£267); Switzerland, 1,123 (£165).

Cordage (a) Rope.—Total, 401,605 pounds (£2,951): United Kingdom, 48,498 pounds (£1,227); Cayman Islands, 317,195 pounds (£962); Canada, 28,956 pounds (£615); Philippine Islands, 6,579 pounds (£126); United States, 377 pounds (£21).

There were, besides, imports of sash cord totalling 3,972 pounds (£237), supplied chiefly from the United Kingdom.

(b) *Twine.*—Total, 129,941 pounds (£6,332): United Kingdom, 78,036 pounds (£3,608); Japan, 34,369 pounds (£1,674); Canada, 9,333 pounds (£506); United States, 7,186 pounds (£499); Hongkong, 450 pounds (£19).

Cork Manufactures.—Total, £4,103; Spain, £3,082; United Kingdom, £544; United States, £292; Portugal, £100; Canada, £69; Germany, £25.

Cotton Manufactures (a) Hosiery.—Total, 392,658 pairs (£5,759): Hongkong, 305,975 pairs (£3,118); United Kingdom, 75,193 pairs (£2,233); Canada, 11,399 pairs (£406); small remainder from the United States, China, and Cuba.

(b) *Piece-goods.*—Total, 24,868,199 yards (£415,912): United Kingdom, 18,709,808 yards (£325,408); United States, 4,327,022 yards (£55,145); India, 1,070,782 yards (£13,234); Poland, 81,533 yards (£1,942); Canada, 7,296 yards (£283). This was the most valuable single item of Jamaica's import trade in the year under review. The 1936 total was 24,623,773 yards (£387,072).

(c) *Other Manufactures.*—Total, £79,688: United Kingdom, £50,956; Japan, £19,752; United States, £2,567; Canada, £1,650; Hongkong, £1,545; Germany, £1,434.

Not included in this category are imports of cotton gloves, totalling in value £1,195; of ribbon (£1,727); and of yarn (£366); the United Kingdom was the largest supplier of the first and third, and Switzerland of the second.

Cutlery.—Total, £7,369: United Kingdom, £2,569; Japan, £1,751; Germany, £1,701; United States, £775; Canada, £532.

Electrical Apparatus (a) Dental.—Total, £259: Japan, £155; United States, £104.

(b) *For Generating Electricity.*—Total, £21,003: United Kingdom, £12,136; United States, £7,652; Canada, £771.

(c) *Radio and Wireless.*—Total, £16,994: United States, £12,528; United Kingdom, £2,316; Holland, £2,018; Germany, £88; Canada, £44. Imports in 1936 totalled £12,682.

(d) *Parts of Radio and Wireless.*—Total, £1,475: United States, £1,343; United Kingdom, £74; Germany, £31; Canada, £22.

(e) *Telegraph and Telephone Apparatus.*—Total, £14,757: United Kingdom, £10,779; United States, £3,422; Canada, £556.

(f) *X-Ray Apparatus.*—Total, £2,172: United Kingdom, £1,668; United States, £401; small remainder from France and Cuba. X-ray films, totalling £1,572 in value, were also brought in, principally from the United Kingdom.

(g) *Other Kinds of Electrical Apparatus.*—Total, £45,203: United States, £32,065; United Kingdom, £7,973; Hongkong, £1,789; Germany, £1,235; Canada, £1,031.

Glass and Glassware (a) Bottles, Lamps, Chimneys and Tableware.—Total, £54,230: Germany, £35,214; United States, £11,398; United Kingdom, £3,519; Japan, £2,021.

(b) *Other Kinds.*—Total, £8,933: United Kingdom, £3,646; Belgium, £1,820; United States, £1,289; Germany, £1,128; Japan, £816.

Glue.—Total, 42,860 pounds (£1,190): United Kingdom, 39,265 pounds (£1,079); Sweden, 2,396 pounds (£71).

Grease.—Total, 1,088,933 pounds (£13,010): Japan, 419,288 pounds (£4,313); United States, 283,009 pounds (£3,550); Australia, 226,729 pounds (£2,962); Canada, 108,067 pounds (£1,479); United Kingdom, 35,696 pounds (£489).

Haberdashery and Millinery.—Total, £30,578: Japan, £10,603; United Kingdom, £7,572; United States, £5,825; Germany, £2,436; Czechoslovakia, £1,091; Canada, £1,077.

Hardware and Ironmongery (a) Cash Registers, Casket Hardware, Office Cabinets, and other Metal Furniture.—Total, £6,954: United Kingdom, £4,491; United States, £1,449; Canada, £606. The 1936 total was £3,204.

(b) *Typewriters.*—Total, £3,220: United States, £1,438; United Kingdom, £794; Canada, £688; Switzerland, £195. Imports in 1936 totalled £3,234.

(c) *Other Kinds.*—Total, £192,001: United Kingdom, £90,908; United States, £45,119; Germany, £26,287; Canada, £16,799; Japan, £5,889; Belgium, £2,308; Sweden, £1,891. This category includes, of course, a very wide range of articles. The 1936 total was £144,752.

Hats and Bonnets (a) Felt.—Total, £14,391: United Kingdom, £8,722; Hongkong, £4,727; Canada, £720.

(b) *Straw.*—Total, £15,274: United Kingdom, £13,867; Germany, £834; United States, £329.

(c) *Other Kinds.*—Total, £5,432: United Kingdom, £2,818; United States, £1,101; Canada, £470; Hongkong, £374; India, £359; France, £306.

Hemp Manufactures.—Total, £6,345: United Kingdom, £5,361; Hongkong, £360; Austria, £272.

Implements and Tools (a) Agricultural.—Total, £41,191: United Kingdom, £25,263; United States, £15,200; Germany, £360; Canada, £271. The 1936 total was £35,961.

(b) *Artisans.*—Total, £21,292: United States, £12,693; United Kingdom, £6,173; Canada, £1,104; Germany, £1,013. The 1936 total was £14,153.

(c) *Other Kinds.*—Total, £399: United Kingdom, £217; United States, £182.

India Rubber and Gutta Percha Manufactures.—Total, £7,325: United Kingdom, £2,490; United States, £1,894; Canada, £1,336; Germany, £816; Japan, £733.

Instruments.—Scientific instruments totalled £2,138; surgical £1,665, and other kinds, £614. They originated chiefly in the United Kingdom. Canada supplied £646 worth of scientific instruments to the Jamaica Government, and £14 worth of surgical to private individuals.

Jute Manufactures.—Total, £1,587: United Kingdom, £1,365; United States, £103; Belgium, £81.

Jewellery.—Total, £2,133: Japan, 1935; United Kingdom, £605; United States, £220; Czechoslovakia, £185.

Leather.—Total, £3,030: United Kingdom, £1,796; United States, £774; Germany, £247.

Leather Manufactures, other than Boots, Shoes and Saddlery.—Total, £5,188: United Kingdom, £1,842; Japan, £1,454; United States, £1,037; Hongkong, £708.

Linen Manufactures.—Total, £15,964: United Kingdom, £12,397; China, £2,718; Ireland, £493.

Machinery, Agricultural (a) Drainage and Irrigation.—Total, £12,482: United States, £8,250; United Kingdom, £2,154; small remainder from Germany and Canada.

(b) *Sugar.*—Total, £101,591: United Kingdom, £43,316; United States, £28,535; Germany, £25,533; small remainder from France, Cuba, Canada, and Belgium in that order. The 1936 total was £60,422. The considerable increase in 1937 was largely due to the development of sugar estates purchased by well-known English financial interests.

(c) *Other Kinds of Agricultural.*—Total, £19,556: United Kingdom, £10,347; United States, £8,615; Germany, £428.

Machinery, Industrial and Manufacturing (a) for Electric Lighting and Power.—Total, £3,821: United States, £2,897; Germany, £685; United Kingdom, £239.

(b) *Railway and Tramway.*—Total, £4,968: United States, £2,315; United Kingdom, £1,984; Canada, £640; Germany, £29.

(c) *Printing.*—Total, £7,213: United Kingdom, £3,647; United States, £3,540; Hongkong, £26.

(d) *Sewing Machines.*—Total, £12,356: Canada, £7,083; Germany, £2,587; United States, £1,449; Austria, £265. The 1936 total was £3,658.

(e) *Other Kinds of Industrial and Manufacturing Machinery.*—Total, £6,253: United Kingdom, £3,522; United States, £2,037; Germany, £657; Cuba, £37.

Other Machinery (a) Cinematograph.—Total, £2,343: United States, £2,319; United Kingdom, £24.

(b) *Marine.*—Total, £1,251: United Kingdom, £726; United States, £525.

(c) *Road-making.*—Total, £1,888, entirely from the United Kingdom.

(d) *Water and Sewerage.*—Total, £19,684: United Kingdom, £15,978; United States, £3,886. These were entirely government imports and comprised machinery for the extension and improvement of existing supply systems. The 1936 total was only £54.

Machine Accessories.—Total, £7,817: United States, £3,915; United Kingdom, £2,773; Canada, £938.

Manures, Chemical.—Total, 7,305 long tons (£57,988): United Kingdom, 3,842 tons (£29,179); Germany, 1,755 tons (£15,219); Holland, 698 tons (£6,183); Canada, 568 tons (£4,155); United States, 368 tons (£2,820); small remainder from Belgium, Norway, and Trinidad. The 1936 total was 5,451 tons (£50,728). The demand for these manures has been steadily growing in recent years and may be expected to continue, keeping pace with the improvement of agricultural methods.

Mats and Matting.—Total, £4,250: United Kingdom, £1,765; Japan, £1,504; United States, £408; Belgium, £186.

Medical Sundries.—Total, £2,368: United Kingdom, £1,885; United States £242; Canada, £217.

Medicines, Patent and Proprietary.—Total, £83,265: United Kingdom, £36,022; United States, £30,406; Canada, £11,021; Germany, £1,722; remainder from a large number of other countries. The 1936 total was £65,938.

On July 1, 1938, a law became operative in Jamaica, providing that only licensed druggists shall sell patent and proprietary medicines, except for certain common substances. This law may, however, be withheld from application in districts insufficiently provided with such druggists. Wholesale and retail grocers, through whom most of the patent medicines used in the Island reach the public, must employ licensed dispensers.

Metals (a) Brass and its Manufactures.—Total, £1,999: United Kingdom, £1,682; United States, £237; small remainder from Canada, China, Germany, and India.

(b) *Copper and its Manufactures.*—Total, £1,386: United Kingdom, £655; Germany £489; United States, £160; small remainder from Belgium and Canada.

(c) *Iron, Pig.*—Total, £579, entirely from the United Kingdom.

(d) *Iron Bars, Not for Railway.*—Total, £373: Germany, £160; Canada, £110; Belgium, £101.

(c) *Iron Bars, for Railway*.—Total, £669: Canada, £550; United Kingdom, £119.

(f) *Railway Materials of Iron and Steel*.—Total, £15,903: United Kingdom, £13,626; United States, £1,334; Germany, £450; Canada, £385; Belgium, £108. The 1936 total was £7,782.

(g) *Iron, Galvanized for Roofing*.—Total, £51,788: United Kingdom £43,419; Germany, £3,625; United States, £3,323; Japan, £1,414. Total imports in 1936 were £36,146; the considerable increase in 1937 was due to heavier demand for building and also to larger purchases made by local merchants against a rising market.

(h) *Gas Fixtures of Iron*.—Total, £1,479: United Kingdom, £995; Canada, £425; small remainder from Germany and the United States.

(i) *Iron Nails, Screws and Rivets*.—Total, £12,062: Canada, £7,768; United Kingdom, £1,628; Germany, £1,447. The 1936 total was £9,302, of which Canada supplied £3,451.

(j) *Iron Nails and Staples for Fencing*.—Total, £1,252: United States, £690; Germany, £337; Canada, £172.

(k) *Steel Bars and Sheets*.—Total, £35,872: United Kingdom, £14,982; Belgium, £7,290; Canada, £6,342; United States, £2,502; Germany, £2,363; Luxembourg, £1,600; France, £793. Total imports were 8,792 in 1936, when Canada's share was £384. Structural steel was the chief item. The trend of the imports under this head in 1937 exemplifies the stiffening of demand for all metal goods in Great Britain and Europe in consequence of rearmament. Quicker delivery has induced larger purchases of these and other metal goods from Canada.

(l) *Iron Wire for Fencing*.—Total, £10,190: United States, £4,626; Germany, £3,417; Canada, £1,290; United Kingdom, £553. The 1936 total was £7,647.

(m) *Iron Wire Netting*.—Total, £6,712: United Kingdom, £5,888; Germany, £561; United States, £100; Canada, £89; small remainder from Holland and Japan.

(n) *Iron Wire, Other Kinds*.—Total, £2,613: Canada, £1,004; United Kingdom, £785; United States, £250; Japan, £247; Belgium, £207.

(o) *Iron Wire Screen Cloth*.—Total, £3,448: United Kingdom, £2,396; United States, £428; Germany, £362; Japan, £129.

(p) *Hoops and Shooks of Iron and Steel*.—Total, £2,140: United States, £1,139; Belgium, £752; Germany, £156.

(q) *Other Manufactures of Iron and Steel*.—Total, £50,220: United Kingdom, £38,064; United States, £4,658; Canada, £4,642; Belgium, £1,698; Germany, £1,034. In 1936 total imports were £16,077, of which Canada supplied only £428, most of the business going to the United Kingdom.

(r) *Lead and its Manufactures*.—Total, of all kinds was £2,222, of which pig lead represented about one-half and which was almost entirely supplied by the United Kingdom.

(s) *Tin Manufactures*.—Total, £11,178: United Kingdom, £5,923; United States, £4,679; Germany, £250; Japan, £222. The 1936 total was £8,729. Tin ingots, not included in this category, totalled £176 in 1937 and originated entirely in the United Kingdom.

(t) *Zinc Manufactures*.—Total, £139, chiefly from the United Kingdom. These do not include buckets, pails, roofing, sheets or tubs.

(u) *Metal Containers for Jamaican Produce*.—Total, £9,249: United Kingdom, £4,345; Cuba, £2,327; Holland, £1,003; Germany, £860; United States, £510. The 1936 total was £5,274.

(v) *Metals, Unenumerated*.—Total, £5,625: United Kingdom, £3,677; United States, £1,212; Canada, £446; Germany, £345.

Musical Instruments (a) Pianos and Organs.—Total, 43 in number (£1,101): United States, 33 (£578); United Kingdom, 7 (£277); and Germany, 3 (£246). Parts of these articles totalled £50, chiefly from the United Kingdom.

(b) *Other Kinds and Parts*.—Total, £6,224: United States, £4,085; Japan, £625; United Kingdom, £607.

Oils.—Total imports of the various kinds were as follows: kerosene, 1,870,341 gallons (£52,237); lubricating, 320,079 gallons (£26,026); gasoline, 7,491,778 gallons (£145,161); linseed, 66,540 gallons (£8,699); castor, 360 gallons (£76); essential, 25,914 gallons (£3,672); diesel oil for bunkering, 3,309 long tons (£5,078); gas oil, 11,059 tons (£31,092); other kinds of fuel oil, 182,126 tons (£222,457); all other oils, unenumerated, 47,220 gallons (£2,292). Trinidad was the largest supplier of kerosene, gasoline, and all other kinds of oil, except gas oil. In 1936 imports of kerosene totalled 1,693,050 gallons (£53,588); and, of gasoline, 6,460,858 gallons (£125,453).

As from June 8, 1937, the Jamaican import duties on gasoline were altered from 6d. per gallon under the British preferential tariff and 8d. under the general to 7½d. under both schedules; in other words, imperial preference on this commodity was abolished. The amending tariff law reserved to the Governor the power to restore the preference, subject to approval of the Secretary of State for the Colonies, in case the withdrawal thereof should substantially change the sources of supply from Empire to non-Empire sources. As imports from the Dutch West Indies have substantially increased and those from Trinidad correspondingly declined since the tariff amendment was made, it has been officially notified that the Governor has exercised, as from March 1, 1938, his statutory power by raising the general rate to 9½d. per gallon, but to the time of writing no publication of the Secretary of State's approval has been made, and a rate of 7½d. irrespective of country of origin still applies.

Oilcloth and Linoleum.—Total, £2,427: United States, £1,336; Canada, £689; United Kingdom, £351.

Painters' Colours and Materials.—Total, 2,059,581 pounds (£42,670): United Kingdom, 1,504,642 pounds (£26,408); United States, 374,698 pounds (£12,409); Canada, 114,783 pounds (£3,330); Belgium, 27,440 pounds (£144); Germany, 21,718 pounds (£153); Japan, 7,590 pounds (£64); Holland, 6,310 pounds (£115); Sweden, 1,642 pounds (£29). The 1936 imports totalled 1,714,227 pounds (£35,230).

Paper (a) Playing Cards.—Total, 27,903 packs (£618): United Kingdom, 26,127 packs (£569); Canada, 1,614 packs (£43).

(b) *Newsprint.*—Total, £19,502: United Kingdom, £13,778; Canada, £3,069; United States, 2,138; Norway, £296. The 1936 total was £15,058, when Canada's share was £11,552; 1937 was the first year in many when she yielded first place to the United Kingdom.

The reason was the placing by the largest user, then the only daily newspaper in the colony, of a contract for supplies over a fairly long period with a mill in Great Britain. This contract expired some months ago, and the newspaper has since been buying from Canada. Another daily newspaper was established towards the end of February last and is said to have a substantial circulation. It also buys from Canada. The demand for newsprint has increased in consequence.

(c) *Writing.*—Total, £2,904: United Kingdom, £1,727; Holland £502; Canada, £355; United States, £250. The 1936 total was £623.

(d) *Fruit Wrappers.*—Total, £3,552: Norway, £1,837; United States, £1,157; United Kingdom, £285; Sweden, £171; United States, £102. Total for 1936 was £5,624.

(e) *Cardboard Guards for Island Produce.*—Total, £1,501: Holland, £864; United States, £637.

(f) *Hoops and Shooks of Cardboard and Paper.*—Total, £13,459: United States, £3,347; United Kingdom, £3,220; Straits Settlements, £2,967; Canada, £1,692; Belgium, £1,613. The 1936 total was £9,906.

(g) *Other Kinds.*—Total, £74,522: United States, £23,147; United Kingdom, £15,093; Holland, £11,576; Canada, £8,054; Germany, £5,470; Sweden, £4,880; Finland, £1,898; Japan, £1,309; Switzerland, £1,105. Total imports of these goods, which consisted largely of wrapping paper and paper bags, was £58,780 in 1936. There is considerable demand for kraft, and a rather smaller trade in sulphite.

Perfumery.—Total, £45,744: United States, £19,643; United Kingdom, £10,037; France, £8,914; Canada, £3,294; Germany, £1,873; Japan, £1,291. The 1936 total was £35,086.

Photographic Apparatus.—Total, £5,567: United States, £2,156; Germany, £1,510; United Kingdom, £1,323; Canada, £409.

Plate and Plated Ware.—Total, £2,221: United Kingdom, £1,568; United States, £400; Germany, £130; Canada, £107. These imports were of nickel, gilt or electroplate; other kinds totalled £25.

Saddlery and Harness.—Total, £4,239: United Kingdom, £3,171; United States, £1,065; Canada £3.

Silk and Silk Manufactures (a) Pure Silk Broadstuffs.—Total, 190,057 yards (£5,584): Japan, 167,448 yards (£4,093); China, 7,073 yards (£466); United Kingdom, 5,542 yards (£365); France, 5,074 yards (£229); Canada, 3,278 yards (£313); Czechoslovakia, 1,263 yards (£66). The 1936 total was 382,205 yards (£8,951).

(b) *Artificial Silk Broadstuffs.*—Total, 4,163,317 yards (£122,794): United Kingdom 1,154,527 yards (£30,238); Japan, 586,829 yards (£15,030); United States, 480,355 yards (£17,287); Italy, 390,068 yards (£12,452); China, 385,784 yards (£8,129); France, 368,184 yards (£10,624); Hongkong, 214,700 yards (£5,709); Germany, 148,861 yards (£6,812); Switzerland, 144,538 yards (£5,879); Hungary, 106,926 yards (£4,078); Czechoslovakia, 80,496 yards (£3,104); Spain, 79,903 yards (£2,070); Canada, 20,825 yards (£1,265). The 1936 total was 3,140,248 yards (£84,496).

(c) *Silk and Rayon Hosiery.*—Total, 1,117,898 pairs (£20,097): Hongkong, 781,652 pairs (£11,915); Canada, 203,942 pairs (£13,460); United Kingdom, 132,698 pairs (£3,695). The 1936 total was 641,520 pairs (£21,195).

(d) *Other Manufactures.*—Total £7,203: Japan, £4,144; United Kingdom, £1,714; Germany, £881; France, £203; Hongkong, £158. The 1936 total was £4,867.

Soap (a) Fancy.—Total, 560,291 pounds (£18,478): United Kingdom, 262,977 pounds (£8,624); Canada, 132,006 pounds (£5,274); Japan, 116,124 pounds (£2,342); United States, 38,845 pounds (£1,972); Germany, 7,434 pounds (£196). The 1936 total was 390,766 pounds (£14,095).

(b) *Common Laundry.*—Total, 4,750,213 pounds (£58,668): United Kingdom, 1,681,415 pounds (£57,632); United States, 68,798 pounds (£1,036). The 1936 total was 3,920,952 pounds (£42,998). This kind of soap is locally made to a considerable extent from coconut oil.

(c) *Polishing.*—Total, 76,440 pounds (£1,055): United States, 54,683 pounds (£703); United Kingdom, 17,161 pounds (£302); Canada, 4,596 pounds (£50).

(d) *Soap Powder.*—Total, 68,354 pounds (£1,041): United States, 42,679 pounds (£526); United Kingdom, 24,420 pounds (£507); Canada, 1,250 pounds (£8).

There were imports of soap flakes totalling 30,863 pounds (£846), of which Canada supplied 16,450 pounds (£288); the United Kingdom 13,572 pounds (£537); and the United States the small remainder. There were also imports of soft soap totalling 26,288 pounds (£214), almost entirely from the United Kingdom.

Spirits, Non-potable.—Total imports under this head, which comprised denatured, methylated, and wood alcohol and bay rum, totalled £1,681 in value, the largest supplier being the United States. Canada shipped 752 gallons of denatured alcohol valued at £121.

Stationery other than Paper.—Total, £39,363: United Kingdom, £24,827; United States, £9,322; Canada, £2,446; Japan, £2,125. The 1936 total was £35,875.

Stones and Slates.—Total, £6,520, comprising grindstones, millstones, marble and alabaster for monuments and slates and pencils. There were no imports from Canada.

Straw Manufactures.—Total, £1,496, from Japan and several other countries; none from Canada.

Toys and Games.—Total, £12,423: United Kingdom, £4,691; Japan, £2,780; Germany, £2,171; United States, £1,784; Canada, £460.

Umbrellas and Parasols.—Total, £400: United Kingdom, £212; remainder from Hong-kong, United States, and Japan.

Vaccines, Lymph, Medical Serum and Radium.—Total, £2,921, chiefly from the United Kingdom.

Watches.—Total, 16,217 in number (£1,877): Switzerland, 11,353 (£1,469); Austria, 3,420 (£183); Germany, 950 (£124); United States, 171 (£31); United Kingdom, 249 (£26).

Wooden Furniture.—Total, £16,473: United States, £4,044; Canada, £4,005; United Kingdom, £3,816; Sweden, £1,569; Poland, £1,188. The total for 1936 was £14,519.

Wooden Hoops, Staves and Headings for Putting up Jamaican Produce (a) for Beer.—Total, 17 packages (£63), entirely from the United States.

(b) *For Biscuits.*—Total, 1,536 packages (£650): United States, 1,043 packages (£496); Canada, 493 packages (£154).

(c) *For Cigars.*—Total, 1,147 packages (£1,080), entirely from the United States.

(d) *For Coconut Oil.*—Total, 1,230 packages (£226), entirely from the United States.

(e) *Coffee.*—Total, 74 packages (£89), entirely from the United States.

(f) *For Citrus Fruits.*—Total, 402,212 crates (£17,881): Canada, 274,562 (£12,284); United States, 127,650 (£5,597). Total imports in 1936 were 611,973 crates (£26,130), of which 418,638 (£17,149) were supplied by the United States and 193,355 (£8,981) by Canada.

(g) *For Citrus Fruit Juice.*—Total, 1,063 packages (£529), entirely from Canada.

(h) *For Honey.*—Total, 2,539 packages (£2,410): Germany, 1,964 packages (£1,820); United States, 467 packages (£523); Canada, 108 packages (£67). These honey casks hold 25 gallons; those from Germany are made of beech, which is preferred by local apiarists because of the absence of tannin, which is apt to discolour the honey unless the casks are paraffined on the inside.

(i) *For Lard and Margarine.*—Total, 1,165 packages (£135), entirely from Canada.

(j) *For Limes.*—Total, 3,985 packages (£835): United States, 2,765 packages (£683); Canada, 1,220 packages (£152). Lime cultivation is being developed under government auspices; the 1936 total was 1,188 packages (£388).

(k) *For Logwood Extract.*—Total, 5,292 packages (£3,346): United Kingdom, 2,867 packages (£1,448); Canada, 1,741 packages (£860); United States, 684 packages (£1,038). These imports include both slack and tight cooperage, as logwood dye is shipped in liquid as well as in crystal form. There is only one user.

(l) *For Mangoes.*—Total, 540 packages (£74): United States, 400 packages (£62); Canada, 140 packages (£12).

(m) *For Matches.*—Total, 665 packages (£483), entirely from Canada. The local match factory, which controls the market, is the sole buyer.

(n) *For Pineapples.*—Total, 140 packages (£126), entirely from Canada.

(o) *For Pineapple Juice.*—Total, 76 packages (£96), entirely from the United States.

(p) *For Rum.*—Total, 25,231 packages (£37,441): United States, 18,606 packages (£30,238); Canada, 4,384 packages (£1,025); Germany, 1,973 packages (£5,419); United Kingdom, 184 packages (£592); British Guiana, 84 packages (£167).

The imports from the United States and Germany were chiefly puncheons made of white oak, the only material so far found satisfactory for putting up rum in bulk. Such puncheons are free of duty, even though originating outside of the British Empire. The United States also shipped cases for putting up bottled rum, as did Canada—which does not produce white oak.

(q) *For Sauce.*—Total, 336 packages (£76), entirely from Canada.

(r) *For Soap.*—Total, 10,000 packages (£1,831): United States, 9,908 packages (£1,768); Canada, 182 packages (£63).

(s) *For Vegetables.*—Total, 14,927 packages (£2,030): Canada, 10,849 packages (£1,272); United Kingdom, 2,100 packages (£361); United States, 1,978 packages (£397).

Excepting white oak rum puncheons, which are free of import duty irrespective of country of origin, all these various kinds of shocks are duty free if of British Empire origin and

subject to 10 per cent ad valorem duty if not. As from April 1, 1937, the duty has been computed on the c.i.f. Kingston, Jamaica, value instead of, as formerly, the factory cost, with the result that the margin of tariff preference on these items has been increased. Canada was thereby enabled to supply about two-thirds of the citrus crates imported into Jamaica during 1937.

Other Kinds of Manufactured Wood and Timber.—Total, £13,072: United States, £4,712; United Kingdom, £1,931; Sweden, £1,579; Germany, £1,559; Canada, £805.

Wool Manufactures.—Total, £61,350: United Kingdom, £48,973; Japan, £10,920; Belgium, £709. Blankets were a considerable item.

Manufactured Articles, Miscellaneous and Unclassified.—Total, £47,405: United Kingdom, £18,740; United States, £12,961; Canada, £7,214; Germany, £3,187; Japan, £2,512; Hongkong, £1,065.

CLASS IV—ANIMALS AND BIRDS NOT FOR FOOD

Imports under this heading totalled £5,222, of which the United Kingdom supplied to a value of £4,129, other British Empire countries £77, and foreign countries, £1,016. The chief item was horses, 24 in total number, of which 22 (£3,880) were supplied by the United Kingdom and the remainder by the Cayman Islands and France.

CLASS V—BULLION, SPECIE, AND PARCELS POST

The value of imports under this heading totalled £187,912, of which £184,273 was parcels post and £3,639 silver bullion, this being supplied entirely from the United Kingdom. Countries of origin in respect of the former are not given in the customs returns.

Of the parcels post imports, the records of the Jamaican Post Office show that in 1937 a total of 103,485 parcels of declared value of £184,915 was imported, of which the United Kingdom supplied 48,531 parcels (£114,361); the United States, 44,519 (£46,189); Canada, 8,204 (£17,397); and other countries, 2,231 (£6,967). In 1936 the total was 95,289 parcels valued at £150,713, of which 40,958 parcels (£89,862) originated in the United Kingdom; 45,491 (£42,736) in the United States and the Panama Canal Zone; 7,161 (£13,736) in Canada; and 1,679 (£4,379) in other countries.

The slight discrepancy in total value between the Post Office's figures and those given in the customs record is very likely due to the return to the United Kingdom, under the c.o.d. system, of parcels of which the addressees had failed to take possession.

GOVERNMENT IMPORTS

In 1937, as formerly, the various departments of the Jamaica Government bought goods in a wide range. These are included in the commodity figures listed above. Government imports in 1937 totalled £310,734 in c.i.f. value, of which the United Kingdom supplied £251,509; the United States, £22,388; Canada, £16,503; and other countries, £20,334. The 1936 total value was £232,087: United Kingdom, £186,867; United States, £17,401; Canada, £13,464; and other countries, £14,355. The total in 1935 was £218,737; in 1934, £279,543; in 1933, £185,268; in 1932, £186,497; and in 1931, £283,194. Government imports from Canada in these years were respectively £7,466; £4,974; £2,746; £5,018, and £18,227. This business is normally placed through the Crown Agents for the Colonies, London, and the Jamaica Government's purchasing agents in Montreal.

TRADE OF SOUTHERN RHODESIA IN 1937

J. C. BRITTON, ASSISTANT TRADE COMMISSIONER

Johannesburg, August 4, 1938.—Southern Rhodesia's total external trade increased substantially in 1937, continuing the steady progressive expansion of the past six years. The value of imports constituted a record for the colony, and exports exceeded those of the past seven years by a considerable amount.

Production of minerals and metals in 1937 was valued at £7,483,000, an increase of £350,000 over the 1936 figure; this was the fifth successive year in which records have been established. The value of the gold output amounted to £5,657,000 in 1937 as compared with £5,632,000 in 1936, an increase of £25,000. The rise in the total value of minerals and metals produced is attributed to base metals in view of the fact that gold production remained practically unchanged. Chrome production rose in value from £251,000 in 1936 to £367,000 in 1937, coal from £359,000 to £498,000, and asbestos from £836,000 to £840,000. Production of tungsten concentrates was valued at

£49,814 in 1937 as compared with £9,221 in 1936, and of tin concentrates at £30,647 and £7,920 respectively in the same two years.

The chief agricultural commodities exported, namely, unmanufactured tobacco, maize, fresh, frozen and chilled meat, and cattle hides all registered increased values in 1937 over the previous year's figures. The higher prices received for unmanufactured tobacco account for the increase in exports of this product, while favourable growing conditions resulted in a record maize crop.

The thriving conditions which existed in the mining industry, and the satisfactory level reached by the agricultural industry, are reflected in general trading conditions in the colony. The value of building permits issued by the principal municipalities amounted to £654,764 in the calendar year 1937 as against £632,609 in 1936. Railway earnings increased from £4,613,000 in 1936 to £6,084,000 in the year under review. The number of companies registered in 1937 was higher than in any other year, indicating an expansion in secondary industries. New registrations of motor vehicles increased in 1937 as compared with 1936, the rate of increase being lower than that shown in the previous few years.

TOTAL TRADE

The total values of imports and exports, including re-exports, for the past five years were as follows:—

Year	Imports	Exports
1933..	£4,581,057	£ 5,481,097
1934..	5,309,254	6,560,883
1935..	6,555,997	6,958,343
1936..	7,026,688	7,917,171
1937..	8,568,685	11,978,984

The gold premium is not included in the export totals prior to 1937. The estimated value of the gold premium was £2,236,000 in 1936; £2,070,000 in 1935; £1,844,000 in 1934, and £1,270,000 in 1933. These amounts should, therefore, be added to the export totals for purposes of comparison with the 1937 figures. In 1937 gold was valued at the price current on the day of export.

PRINCIPAL IMPORTS

The entire list of main groups, with the exception of that headed "oils, waxes, resins, paints, and varnishes," into which imports into Southern Rhodesia are divided, showed appreciably increased values in 1937 as compared with the previous year. The largest gains occurred in the metals and metal manufactures and fibres, yarns, textiles, and apparel groups. The following table shows imports into Southern Rhodesia in the calendar years 1937 and 1936 according to the main groups listed in the trade returns:—

	1937 £	1936 £
Animals, agricultural and pastoral products and foodstuffs.. . .	637,551	584,652
Ales, spirits, wines and beverages..	173,200	154,408
Tobacco..	20,654	16,411
Fibres, yarns, textiles and apparel..	1,686,345	1,278,459
Metals, metal manufactures, machinery and vehicles..	3,366,729	2,585,967
Minerals, earthenware, glassware and cement..	115,394	105,095
Oils, waxes, resins, paints and varnishes..	548,165	570,573
Drugs, chemicals and fertilizers..	411,364	374,324
Leather, rubber and manufactures thereof..	310,784	266,551
Wood, cane, wicker and manufactures thereof..	305,381	204,542
Books, paper and stationery..	209,014	171,281
Jewellery, timepieces, fancy goods and musical instruments.. . .	139,538	118,742
Miscellaneous..	374,951	317,837
Total private merchandise..	8,299,070	6,748,842
Government stores..	197,956	152,760
Specie..	71,659	125,086
Total imports..	£8,568,685	£7,026,688

In the year under review, imports of cotton piece-goods were valued at £528,222 as compared with £356,059 in 1936. This was again the largest single item imported during the year. The other principal items imported, which together with cotton piece-goods, comprise the ten leading commodities, all showed increases except motor spirit and heavy rails. These, in order of importance, were: motor cars, imports of which were valued at £360,474 in 1937 (£349,065 in 1936); outer garments, £279,361 (£242,245); other mining machinery, £258,009 and (£195,687); motor spirit, £246,046 (£286,684); motor trucks and motor vans, £210,129 (£175,713); industrial machinery n.e.e., £170,898 (£169,394); heavy rails, £161,672 (£173,241); bicycles, tricycles and parts thereof, £139,316 (£81,589); and blasting compounds, £131,041 (£122,685).

LEADING SOURCES OF IMPORTS

The following table shows the chief countries of supply for imports of private merchandise into Southern Rhodesia in the calendar years 1937 and 1936 with their percentage shares of the total import values:—

Country	1937 £	Per Cent	1936 £	Per Cent
United Kingdom.. . . .	3,841,248	46.2	3,107,086	46.0
Union of South Africa.. . . .	1,294,070	15.5	1,112,749	16.4
United States.. . . .	816,155	9.8	682,875	10.1
Canada.. . . .	341,832	4.1	271,068	4.0
Japan.. . . .	226,706	2.7	151,967	2.2
Germany.. . . .	220,049	2.6	158,536	2.3
India.. . . .	210,397	2.5	178,248	2.6
Belgium.. . . .	159,895	1.9	122,383	1.8
Portuguese East Africa.. . . .	151,815	1.8	105,751	1.5
Persia.. . . .	140,279	1.6	136,308	2.0
Dutch East Indies.. . . .	123,657	1.4	169,640	2.5
Sweden.. . . .	101,064	1.2	73,441	1.0

The bulk of Southern Rhodesia's imports of private merchandise are from Empire countries, and in the year under review imports from Empire sources were valued at £5,890,896, 70.9 per cent of the total as compared with £4,821,461 (71.4 per cent) in 1936. Imports from foreign countries amounted to £2,408,174 (29.1 per cent) and £1,927,381 (28.6 per cent) respectively in the same two years.

The United Kingdom maintained the position of leading supplying country, and imports from this source are spread over the entire import list. The principal imports from the United Kingdom include cotton piece-goods valued at £487,991 in 1937 (£332,342 in 1936); heavy rails, £161,672 (£173,185); bicycles, tricycles and parts thereof, £138,109 (£78,899); outer garments, £127,418 (£127,427); electric cable and wire £113,223 (£46,557); other electrical machinery, £108,824 (£55,855); other mining machinery, £103,551 (£94,452); whisky, £94,354 (£86,775); industrial machinery n.e.e., £88,342 (£85,969); all other railway material, £84,947 (£41,445); and motor cars, £80,731 (£73,268).

The Southern Rhodesian market is an important outlet for the expanding secondary industries of the Union of South Africa. The main imports from this supplier during 1937 were: blasting compound, £131,032 (£122,677 in 1936); motor cars, £96,865 (£114,302); outer garments, £90,951 (£73,641); motor trucks and vans, £83,048 (£73,766); and other wooden furniture, £76,217 (£57,259).

OTHER IMPORTANT SOURCES OF IMPORTS

The United States held third place as a source of supply for imports. A wide range of articles are provided by this country, the principal items being motor cars valued at £101,616 in 1937 (£101,123 in 1936); other mining machinery, £101,101 (£64,303); motor spirit, £60,572 (£67,600); motor trucks and vans, £51,344 (£31,387); industrial machinery n.e.e., £50,904 (£46,488);

and wireless telegraphy and telephony instruments and appliances, £29,322 (£22,413).

Japan's share of total imports was made up largely of silk and rayon piece-goods valued at £32,414 in 1937 (£20,130 in 1936); soft haberdashery, £24,503 (£12,554); outer garments, £14,272 (£7,032); other furnishing drapery, £14,944 (£10,451); and hats and caps, £11,753 (£8,451).

Imports from Germany increased both in value and percentage during 1937 as compared with the previous year. The chief products imported from this country included ploughs, harrows, cultivators and parts valued at £20,498 in 1937 (£12,664 in 1936); motor chassis, £15,280 (£9,902); battery shoes and dies, £14,254 (£11,448); motor cars, £12,400 (£2,714); light rails, £11,517 (£8,759); and other electrical machinery n.e.e., £8,489 (£2,925).

Total imports from India are made up largely of a few commodities such as jute bags valued at £77,216 in 1937 (£67,662 in 1936); rubber-soled canvas footwear, £37,355 (£39,823); and cotton piece-goods, £34,858 (£20,416).

The most important imports from Belgium were cotton blankets and rugs valued at £58,459 in 1937 (£48,824 in 1936); iron and steel bar, bolt and rod, £18,532 (£11,831); fencing material other than wire, £15,037 (£8,924); and zinc sheet, £12,744 (£11,474). Portuguese East Africa furnished gold bar valued at £75,876 in 1937 as compared with £42,168 in 1936 and sugar valued at £61,662 and £45,345 respectively in the same two years.

Imports from Persia and the Dutch East Indies were comprised almost solely of motor spirit. The principal items making up Sweden's total were: empty boxes, £21,571 (£5,997); drill steel, £17,268 (£8,827); and industrial machinery, n.e.e., £13,977 (£19,150).

PRINCIPAL EXPORTS

The mining industry was again responsible for a large proportion of the colony's exports. Gold bar was exported during 1937 to a value of £5,665,908 as compared with £5,663,715 in 1936. Raw asbestos exports were valued at £1,230,120 (£959,290), and chrome exports at £673,258 (£465,030). The value of coal exports increased from £185,662 in 1936 to £247,926 in 1937. These four items accounted for 65·5 per cent of total exports of private merchandise from Southern Rhodesia as compared with 71·8 per cent in 1936. Building cement, £68,502 (£45,598); coke and patent fuel, £49,510 (£18,690); tungsten ores, £39,243 (£9,920); tin ore and concentrates, £27,538 (£9,505); silver bar, £16,035 (£15,738); and iron pyrites, £15,125 (£12,446) were other important metal and mineral exports.

Increases are recorded in the value of nearly all the leading agricultural products exported. This is an encouraging feature of the colony's trade for the year under review, as a considerable portion of the native and European population is economically dependent upon this industry. Unmanufactured tobacco exports increased in value from £653,392 in 1936 to £934,830 in 1937. The bulk of the unmanufactured tobacco was consigned to the United Kingdom and the Union of South Africa. Maize exports were valued at £506,333 in 1937, a considerable increase from £313,142 in the previous year, being shipped principally to the United Kingdom, Canada, Holland, and Belgium. Exports of fresh, frozen or chilled meats were valued at £225,812 (£157,770 in 1936); wet cattle hides, £129,043 (£86,820); dry cattle hides, £83,459 (£57,831); preserved meats, £69,345 (£72,468); cattle for slaughter, £44,675 (£12,504); citrus fruits, £40,612 (£22,386); butter, £18,248 (£11,465); maize meal, £15,847 (£16,583); other cereals in the grain, £14,156 (£34,327); and manufactured tobacco, £10,625 (£8,847). These products formed a large percentage of agricultural exports in 1937.

The neighbouring countries, chiefly Northern Rhodesia and the Union of South Africa, are important markets for products of the colony's secondary industries. During the calendar year 1937 exports of wooden railway sleepers were valued at £89,932 (£89,775 in 1936); ale, beer, stout and porter, £73,954 (£52,608); outer garments, £66,043 (£55,224); cigarettes, £63,147 (£51,914); wheat flour, £49,091 (£26,474); stationery n.e.e., £36,453 (£30,957); sugar, £35,558 (£20,538); and unmanufactured wood, £31,800 (£24,057) were shipped to these two countries, the bulk of the total being consigned to Northern Rhodesia.

DESTINATION OF EXPORTS

Domestic exports, exclusive of government stores, were valued at £10,700,-442 in 1937 as compared with £7,027,320 in 1936. Of this amount, those having a value of £8,918,581 (83·8 per cent) and £5,872,902 (83·5 per cent) in 1936 were consigned to Empire markets. The United Kingdom was the chief purchaser by a considerable margin, taking domestic exports valued at £7,428,815 (69·4 per cent) in 1937 as compared with £4,753,614 (67·6 per cent) in the previous year. The United States held second place, domestic exports to that country being valued at £651,102 (6·0 per cent) in 1937 and £377,178 (5·3 per cent) in 1936. Next in order of importance was Northern Rhodesia, domestic exports to this country being valued at £623,044 (5·8 per cent) and £433,011 (6·1 per cent), followed by the Union of South Africa, £535,162 (5·0 per cent) and £431,961 (6·1 per cent); Belgium, £209,483 (1·9 per cent) and £129,394 (1·8 per cent); France, £170,365 (1·5 per cent) and £216,113 (3·0 per cent); Canada, £161,716 (1·5 per cent) and £129,566 (1·8 per cent); Germany, £148,654 (1·3 per cent) and £95,658 (1·3 per cent); and Holland, £120,420 (1·1 per cent) and £65,337 (0·9 per cent).

TRADE WITH CANADA

As in 1936, Canada held fourth position as a supplier of Southern Rhodesia's imports, being preceded by the United Kingdom, the Union of South Africa, and the United States. Imports, exclusive of government stores and specie, from Canada were valued at £341,832 (4·1 per cent of total imports) in 1937. This was an increase in both value and percentage over 1936 when imports had a value of £271,068 (4 per cent).

The trend of Southern Rhodesia's exports to Canada has been upwards. In the year under review, domestic exports to Canada were valued at £161,716 as compared with £129,715 in 1936 and £13,343 in 1935. The total value of exports to Canada in 1937 was almost entirely made up of maize (£157,440) and chrome (£4,125).

Imports from Canada into Southern Rhodesia in 1937 were spread over a wide range of products, the majority showing increased values as compared with the previous year. The principal commodities included motor cars valued at £64,975 in 1937 (£57,522 in 1936); motor trucks and motor vans, £47,409 (£54,177); wheat, £26,653 (£20,317); sodium cyanide, £19,629 (£15,485); motor car tires, £15,270 (£7,872); silk and artificial silk hosiery, £14,536 (£13,649); ploughs, harrows, cultivators and parts, £11,449 (£7,632); kraft wrapping paper in rolls, £11,154 (£5,413); motor car chassis, £10,630 (nil); driving bands and belting, £8,506 (£8,804); manufactures of wood n.e.e., £7,129 (£3,532); motor car parts and accessories, £7,030 (£10,465); porcelainware, £6,689 (£504); printing paper, £6,139 (£4,312); and preserved fish, £5,295 (£5,307). The above fifteen leading items accounted for £262,493 or 76·7 per cent of the total imports from Canada in 1937 and £214,811 (79·2 per cent) in 1936.

Other important imports from Canada were: electrical material (other), amounting to £5,200 (£4,837 in 1936); unmanufactured lumber (pine), £5,123

(£3,140); other agricultural machinery and implements, £4,707 (£4,129); desiccated milk, £4,630 (£5,568); empty boxes, £4,119 (£46); sieving and screening gauze, £4,033 (£1,982); pipes and piping, £3,879 (£2,402); apparel outer garments, £3,801 (£2,130); wire nails, £3,451 (£1,395); binders, reapers, mowers, planters and seeders, £2,976 (£953); mechanics' tools, £2,644 (£4,837); typewriters and parts, £2,531 (£2,499); rubber manufactures n.e.e., £2,061 (£1,704); apples, £1,987 (£1,674); and shovels, £1,842 (£1,298).

MARKET FOR CANNED MUSHROOMS IN SOUTH AFRICA

J. C. BRITTON, ASSISTANT TRADE COMMISSIONER

Johannesburg, August 11, 1938.—There are no separate statistics which show the extent of the market for canned mushrooms in the Union of South Africa. Inquiries indicate that they are sold in fair quantities throughout the year, the demand arising mainly from the better-class catering companies and hotels. The majority of provision stores and bazaars stock them. Locally grown fresh mushrooms are available but not in sufficient quantities in all parts of the country to supply domestic requirements, and the bulk of the demand for mushrooms is met by imports from overseas. The principal market for imported mushrooms is concentrated in Johannesburg and vicinity. The quantities purchased in Durban and Cape Town, the other large urban centres, are much smaller, presumably because it is in these areas that the largest quantities of mushrooms are grown.

DEMAND

Hotel quality is the best selling line of canned mushrooms imported into this market. This is a cheaper grade of mushroom and includes the stems, pieces, and buttons. The popular pack weighs 11 ounces net. First choice and extra are next in order of importance, but these two types, particularly extras, are luxury products, owing to their price. There is a smaller sale for mushrooms in oil and vinegar, stone mushrooms, large mushrooms (Cepes), black and yellow mushrooms, and creamed mushrooms. The demand for prepared mushroom soup is growing and certain brands of this product are becoming popular with purchasers.

SOURCES OF SUPPLY AND PRICES

The largest percentage of canned mushrooms imported into the Union of South Africa come from France. That country furnishes the bulk of the hotel quality, first choice, extra grades, and dried mushrooms. Black mushrooms are imported from England, and yellow mushrooms from Germany, Switzerland, and Hungary. Mushrooms in oil and vinegar are supplied by Italy. Several shipments of creamed mushrooms from Canada have been made to this market in the past two years. Consumers in South Africa are not too familiar with mushrooms prepared in this manner, but the demand is growing and a steady market should develop. Creamed mushroom soup is imported from the United States and Canada. Japan and the United States also have a share of the canned mushroom trade.

The following are recent quotations applying in this market on various types of canned mushrooms:—

Hotel Quality.. . . .	57s. 6d. per case 100 tins c.i.f. South African ports
First Choice.. . . .	73s. per case 100 tins c.i.f. South African ports
Extras.. . . .	99s. per case 100 tins c.i.f. South African ports
Black Mushrooms.. . . .	24s. 6d. per 1 doz. 1-lb. tins f.o.b. United Kingdom ports
Cepes and Dried Mushrooms.. . .	45 francs per kilo f.o.b. French ports

TARIFF

Mushrooms, tinned or otherwise preserved, are dutiable at the following rates when imported into the Union of South Africa: minimum duty, 20 per cent ad valorem; intermediate duty, 20 per cent ad valorem; maximum duty, 20 per cent ad valorem.

DISTRIBUTION

The method recommended to exporters for distribution of tinned mushrooms in this market is through the medium of manufacturers' agents, because of the many sales outlets. Sales for tinned mushrooms do not reach large proportions, so agents should be granted a higher rate of commission than provided for other tinned foodstuff lines. As an alternative, exporters who do not wish to dispose of their products in this manner might establish worthwhile connections with dealers in both wholesale and retail trade in leading centres.

PROSPECTS FOR SALE OF CANNED MUSHROOMS FROM CANADA

Up to the present canned mushroom imports from Canada have been confined to creamed mushrooms and creamed mushroom soup. These two canned mushroom products are gaining in popularity and the volume of imports should gradually increase. It is doubtful if Canadian exporters could make serious inroads into the particular type of mushroom trade held by France, despite a superior flavour and finer texture of the Canadian product. French exporters have old-established connections and their brands are well and favourably known to purchasers. There are, however, mushroom products in fairly general use in the Canadian market, such as grilled mushrooms, relishes, and spreads, which are not well known to South African consumers. The possibilities for the sale of these lines should be investigated fully. Canadian firms in a position to export to this market are invited to communicate with the Canadian Trade Commissioner's office at Johannesburg.

MARKET FOR POTATOES IN HONGKONG

V. E. DUCLOS, CANADIAN TRADE COMMISSIONER

(HK\$1 equals \$0.30½ Canadian; one picul equals 133½ pounds)

Hongkong, July 28, 1938.—Imports of potatoes into Hongkong in 1937 amounted to 113,904 piculs (HK\$432,575) as compared with 120,388 piculs (HK\$407,541) in 1936. For the first six months of 1938 a total of 82,884 piculs (HK\$651,388) were imported.

The following table shows imports by principal countries for the first half of 1938 and the years 1937 and 1936:—

Imports of Potatoes into Hongkong

	Jan.-June 1938		1937		1936	
	Piculs	HK\$	Piculs	HK\$	Piculs	HK\$
Total.. . . .	82,809	650,888	113,799	431,735	120,388	407,541
Japan.. . . .	5,708	21,636	71,516	225,611	77,157	255,516
South China.. . . .	26,816	190,405	10,403	43,767	4,603	23,506
Middle China.. . . .	27,499	203,128	7,186	24,323	18,703	72,592
North China.. . . .	4,837	39,766	16,852	77,908	19,726	53,808
Canada.. . . .	7,617	47,706	5,697	35,469	....	....
United States.. . . .	8,670	138,807	1,925	23,153	151	1,941
Macao.. . . .	1,148	5,784	117	720	42	129
Egypt.. . . .	325	2,300	....	....	....	....
Siam.. . . .	152	1,032	....	....	....	....

SOURCES OF SUPPLY

Prior to the disturbances in North China, Japan was the principal supplier of potatoes to Hongkong on account of her ability to offer produce at prices which were competitive even with supplies from nearby South China territories. In fact, Japan is credited with approximately 65 per cent of this trade during the years 1934 to 1937.

In the first six months of 1938 there was a sharp decline in imports from Japan and increases in the shares of North, Middle, and South China. During the same period Canada and the United States entered into this trade to an extent which has heretofore not been possible.

IMPORTS FROM CANADA

It is interesting to note that Canada's active participation in the potato trade of Hongkong began in the second half of 1937, when imports from the Dominion totalled 5,652 piculs (HK\$35,079) as against 45 piculs (HK\$390) for the preceding six months. For the twelve months ending June 30, 1938, imports from Canada totalled 13,269 piculs (HK\$82,785) as against the previous high of 1932 when imports were recorded at 12,573 piculs (HK\$66,008).

It is difficult to forecast the prospects for the sale in Hongkong of Canada's 1938 crop, since at the present time there are abundant supplies from North, Middle, and South China available at prices against which it would be impossible for Canadian exporters to compete.

However, on the basis of import statistics for former years, indications are that supplies from Middle and South China will cease within the next month or so, while from the figures for 1937 it would appear that imports from North China should continue until September.

Potato importers are unable to express an opinion as to the possibility of business in Canadian potatoes this season until the situation with respect to supplies from neighbouring territories becomes definite. However, it is certain that competition from Japan will be a negligible factor in the market.

SEASON

Information concerning shipping seasons for the territories contributing to the trade is conflicting, the only accurate indication of movements into the colony being the month-by-month figures issued by the Hongkong Government. The following are the monthly quantities imported from principal countries during the year 1937:—

Imports by Months for the Year 1937

	Japan	Middle China	N. China	S. China	U.S.A.	Canada
	Figures in Piculs					
January.. . . .	7,698	692	....	2,041	....	45
February.. . . .	2,385	378	....	1,566	....	....
March.. . . .	8,981	230	....	1,962	4	....
April.. . . .	7,648	748	....	5,914	....	....
May.. . . .	5,782	1,846	....	1,756	8	....
June.. . . .	6,041	3,071	894	1,485	....	....
July.. . . .	8,403	221	101	27	11	....
August.. . . .	12,242	....	2,213	60	11	....
September.. . . .	9,222	....	7,955	44	8	....
October.. . . .	1,100	....	2,756	....	....	300
November.. . . .	1,214	....	1,997	20	90	1,988
December.. . . .	800	....	936	....	1,973	3,364

GRADING AND PRICES

There are no specific grades applicable to shipments from nearby territories, and it is customary for dealers to purchase from importers against

examination of shipments on arrival. During last season the demand for Canadian potatoes was practically confined to the No. 1 Small grade.

Current prices of China potatoes range from HK\$3 to HK\$4 per picul (Can.\$15 to Can.\$20 per ton); an indication of the Canadian new crop price on No. 1 Small is Can.\$32 per ton.

PACKING

Shipments from Japan, North China, and Middle China are in bags or crates of varying weights, while those from South China arrive in baskets of from 300 to 500 pounds.

Standard Canadian packing in bags of 100 pounds is acceptable to the local market, although when quotations are made old or new bags should be specified.

TERMS AND DOCUMENTATION

The matter of terms is usually subject to arrangement between shipper and importer, but local firms are generally willing to open letters of credit covering shipments from Canada.

Ordinary commercial invoices, together with a certificate of inspection issued by the Department of Agriculture, are the only documents required when making shipments of potatoes from Canada to Hongkong.

DUTY

Hongkong being a free port, there is no duty on potatoes when entering the colony.

ECONOMIC CONDITIONS IN BRITISH MALAYA

B. C. BUTLER, CANADIAN TRADE COMMISSIONER

(All values are in Straits dollars; S\$1 equals 58 cents Canadian; one ton equals 2,240 pounds)

Singapore, July 20, 1938.—Business conditions in British Malaya follow closely the movements in the prices of tin and rubber, the principal export commodities of the country. The downward tendency in prices during the first quarter of 1937 continued during the greater part of the first half of the present year. Although prices have been at levels that would have been welcomed in 1932, the whole tone of the market has been dull. Stocks of imported goods have accumulated, and the import and retail trades have been unusually quiet. Chinese and other firms have been handicapped with frozen stocks of Japanese goods, which they have been unable to sell due to the strong anti-Japanese sentiment and active boycott measures.

Toward the close of June there occurred a marked improvement which may be attributed to the partial removal of international tension and to the expectation of better times in the United States as a result of the Administration's recovery policy. Malaya depends upon the United States and Canada to purchase approximately 60 per cent of her two major commodities, and recovery in America is immediately reflected in improved business conditions in this country. A more specific cause for the improved conditions during June were the drastic reductions in tin and rubber quotas, offering hope for higher prices before the close of the present year.

FOREIGN TRADE

Due to the low prices for the country's principal exports, total trade for the first five months of 1938 declined by almost 35 per cent. The value of

exports totalled \$249,407,000 as compared with \$380,000,000 for the same period of 1937. Imports for the same period were valued at \$242,244,000 as compared with \$280,429,000 in the previous year. Trade during the month of April reached the lowest level since September, 1936.

Canada's exports to Malaya showed an increase in this period, totalling Canadian \$1,330,000 as against \$1,215,000 for the same period last year.

The Sino-Japanese war is affecting both imports from and exports to Japan. The boycott referred to previously has practically eliminated Japan as a factor in many lines where she formerly enjoyed the major portion of the trade. Commodities that have been affected in this way, of interest to Canadian exporters, are sardines in 15-ounce oval tins and other sorts of cheap fish packs, and during the coming shipping season Japan will not be a factor in the potato trade.

Although having little bearing upon the anti-Japanese sentiment, there is an opportunity in Malaya for Canadian West Coast apple shippers. In the past United States shippers have enjoyed the major portion of this market by virtue of the excellent shipping service offered by the Dollar Steamship Line. It is expected that this shipping line will not be as important a factor as in previous years, and Canadian shippers should therefore take advantage of this opportunity to obtain a larger share of the Malayan market. Several Canadian brands are already known and recognized for their quality, and provided Canadian shippers can offer the correct counts and qualities, and give some assurance of sound deliveries even by transshipment services at Hongkong, a good opportunity exists.

NOTES ON EXPORT PRODUCTS

RUBBER

Due to the low prices prevailing during the last quarter of 1937, the exportable rubber quota for the first three months of the present year was reduced to 70 per cent of standard tonnages. A cut to 60 per cent was effective for the April-June quarter, and a further drastic cut was announced in June to 45 per cent for the third quarter of the year. Despite the reduced quotas, the price of rubber in March was lower than it has been at any time for three years, and the situation locally was further aggravated by the failure of three dealers. A change for the better took place during April, and since the announcement of the further quota cut for the third quarter the immediate outlook for the rubber industry is more cheerful.

Gross exports of rubber for the first five months of 1938 were 238,191 tons as compared with 249,067 tons for the same period of 1937.

The Malayan industry is generally well pleased with the terms of the new International Rubber Restriction Agreement which is to come into effect on January 1, 1939, for a five-year period. This agreement permits of limited new planting, unlimited replanting of old areas subject to revision after 1940, and increased basic tonnages, which for Malaya amounts to a further 30,000 tons.

TIN

Gross exports of tin from Malaya during the first five months of the present year totalled 31,146 tons as against 39,000 tons for the same period of 1937. Prices tended downward, and the exportable quota, which had been 110 per cent during the greater part of 1937, was reduced to 70 per cent during January-March, 1938. A further reduction to 55 per cent was made for the second quarter, and it was recently announced that the quota for the third quarter will be 45 per cent. Malaya's exports were on a basis somewhat above the international quota, due to the reallocation of the unused rights of Bolivia, Belgian Congo, and Indo-China among the other producing countries, Malaya,

Netherlands India, and Nigeria. In the case of British Malaya this will permit the export of a further $7\frac{1}{2}$ per cent in the third quarter.

Reduced production quotas would inevitably have led to unemployment, and the Federated Malay States Government therefore permitted tin companies to produce an extra quantity to be smelted and held in bond by the smelting companies, the total not to exceed 2,900 tons. The sale of rights by small mines to the larger producers has been a serious cause of unemployment, and this practice was prohibited in the case of this bonded stock.

The majority of the Malayan industry favoured the creation of a new Buffer Pool. The International Tin Committee are therefore proceeding with the accumulation of a stock of 10,000 tons, the objective being to establish a price range of £200 to £230 per ton.

OTHER PRODUCTS

The average weighted index of export commodity prices on the Singapore market (1929 equals 100) for the year 1937 was 85.9. In January of the present year it stood at 65 and by April had fallen to 56.6.

PINEAPPLE

The pineapple growing and canning industry of Malaya is passing through the worst period in its history, with prices at ruinously low levels. The average price of canned pineapple on the Singapore market in 1929 was \$5.43 per case. In 1937 the average price was \$3.02, and during most of the present year it has averaged \$2.70, frequently falling as low as \$2.40 (Canadian \$1.39). At these prices growers are cutting only sufficient fruit to provide a living, with the result that the present pack (April-July) will be approximately 60 to 70 per cent of normal.

During June, legislation was passed providing for a so-called "national mark." Packers volunteering to pack under this scheme will be required to submit to more rigorous grading and packing regulations. Still further regulation is foreshadowed by the agitations of the pineapple packers themselves. The Government has been asked to take steps to reduce competition by controlling production and canning, a movement which the growers and packers have been unable to initiate by mutual agreement. Action is expected along these lines before the next big packing season (April, 1939). The plan will probably provide for fixed annual packs with a pro-rata allocation to the several packers, fixed prices to the grower and exporter, and a further improvement in the quality of the pack. The result will no doubt be to raise the price of Malayan pineapple to a level that will ensure a reasonable price to the growers and packers. It is possible that steps will also be taken to restrict the planting of new areas or the erection of new packing establishments.

COPRA

A scheme to grade Malayan copra has been abandoned, due to the fact that it has been found that the quality of the Malayan product appears to be already recognized in world markets. Although prices tended downward during the first five months of the year, there was a better demand and an improvement in price during June.

LABOUR

Due to the reduction in tin and rubber production quotas, there has been an excess of coolie labour, and the immigration quota for Chinese and Indian coolies was reduced as from April 1 from 3,000 to 1,000 per month. The action of the Federated Malay States Government in accumulating the local bonded

stock, referred to previously, helped the labour situation in the tin industry. This Government has also announced plans to spend \$9,400,000 on public works in order to relieve unemployment resulting from reductions in the rubber and tin production quotas.

In common with most other parts of the world Malaya has not been free from labour agitation, and there have been several serious strikes during the period under review.

CONSTRUCTION

There continues to be considerable activity in government and private construction. The graving dock at the naval base was completed and the base was officially opened on February 14. Other defence works are providing work for many of the local construction firms. The several governments of Malaya are continuing with the construction of public buildings and roads. The Singapore Improvement Trust, which aims at the ultimate removal of all slum areas, has announced plans for extensive building during 1939.

Among the private construction contracts recently announced are included a new \$1,000,000 cinema, restaurant, and apartment building being financed by a wealthy Chinese family, a new \$500,000 bank building being erected by the Singapore branch of the Netherlands Trading Society, and a \$2,500,000 thoroughly modern office building for the Asiatic Petroleum Company. An interesting feature of new local construction is the increasing use of air conditioning.

CREDIT SITUATION

There have been a number of small dealer failures during the present year and banks report some difficulty in effecting collections. Canadian exporters are advised to exercise more than usual caution in accepting business from small Asiatic firms of whose standing they are not sure.

COMMUNICATIONS

Singapore is rapidly becoming an important centre for air transport and the new civil aerodrome completed in June last year is in constant use.

Commencing in March an all-up service for first-class mail was inaugurated with the co-operation of the Imperial Airways. A great deal of publicity has already been given to this, but exporters should note that all first-class mail is now routed to Singapore and other parts of British Malaya by air from England. The postal rate is 6 cents Canadian per half-ounce.

During April the Imperial Airways began a faster schedule providing a connection between Singapore and England twice weekly.

Another important advance in Empire communications was the inauguration of new inter-Empire flat rate cable charges as from April 25.

The internal air service operated by a private company between Singapore and Penang, with calls at intermediate cities, recently announced an improved service with the use of additional planes.

Radio broadcasting continues to increase in popularity, and the number of licensed receiving sets in British Malaya had increased by over 50 per cent at the end of December, 1937, as compared with the previous year. There are now some 9,600 licensed sets. A new short wave station has been opened by the British Malaya Broadcasting Corporation, which will enable listeners in all parts of the country to receive Singapore broadcasts. This should further increase the demand for receiving sets.

Shipping services connecting Australia and New Zealand with British Malaya continue to improve. The K.P.M. (a Dutch line) has inaugurated a regular monthly service between Malaya and New Zealand, which should be of

great assistance to exporters of dairy products and refrigerated cargo in that country.

The Western Australian Government has entered into a five-year agreement with the Blue Funnel Line by which the State's overseas shipping services will be withdrawn and all connecting services diverted to the benefit of the line, which in turn guarantees to protect West Australian interests in the matter of rates. More specifically, and of interest to Canadian exporters, West Australian flour shippers are to be granted a preferential rate of 5s. per ton on flour exported to Malaya as compared with shipments from other parts of Australia.

MIDDLE ASIA MARKET FOR POTATOES¹

B. C. BUTLER, CANADIAN TRADE COMMISSIONER

(Unless otherwise stated, values are in Straits dollars; one S\$ equals 58 cents Canadian)

British Malaya

Singapore, August 15, 1938.—Since potatoes are not grown in commercial quantities in British Malaya, the country is almost entirely dependent upon imported supplies. Rice is the staple diet of the majority of the people. With a population of 4,950,000, British Malaya's consumption of potatoes, as indicated by import statistics, has amounted to less than 14,000 long tons annually in past years, although the consumption figures show a definitely upward trend. During the Canadian season imports amount roughly to 1,000 tons a month.

Supplies for the Defence Force form the largest single outlet for potatoes. Contracts for these have been made to date by local tender; but it is believed possible that supplies of potatoes and other bulk imported foodstuffs in the future will be purchased direct by the R.A.S.C., Singapore. The European and Eurasian civilian communities, totalling some 44,000, constitute a steady market for potatoes and there is a growing outlet among the better class Malays, Chinese, Indians, and other foreign Orientals, of whom there are 2,150,000, 2,000,000, 700,000, and 56,000 respectively. The coolie classes of these groups cannot afford potatoes; but the Chinese, and in particular Indians, in clerical or better positions can afford to include potatoes in their diet. These classes eat potatoes with their curries or stews. The potatoes are eaten whole, and for this reason a small size is preferred. Even the town-dwelling Malays now include potatoes with their staple diet of rice. British Malaya, therefore, constitutes a growing market for potatoes.

IMPORTS

The following table shows imports for the three years 1935, 1936, and 1937 and for the first six months of 1938:—

British Malayan Imports of Potatoes

	1935		1936		1937		Jan.-June, 1938	
	Tons	Straits \$	Tons	Straits \$	Tons	Straits \$	Tons	Straits \$
British Possessions and Protectorates.. . . .	230	15,050	276	18,332	3,079	175,874	2,697	166,106
Continent of Europe.. . . .	42	2,635	55	3,765	230	14,902	1,285	74,515
United States.. . . .	6	671	5	952	10	1,129	3	356
Japan.. . . .	11,331	412,804	10,080	362,261	12,264	460,919	2,115	86,675
Netherlands India.. . . .	1,518	105,997	2,902	146,990	820	60,930	1,145	76,206
Other countries.. . . .	434	23,066	396	19,383	1,267	67,757	835	54,444
	13,561	560,223	13,714	551,683	17,670	781,755	8,080	458,302

¹ For purposes of this report, the term Middle Asia means British Malaya, Netherlands India, and Siam.

COUNTRIES OF ORIGIN

Complete figures showing countries of origin are not available later than 1936, when the main sources with quantities and values were as follows: Japan, 10,081 tons, S\$362,261; Netherlands India, 2,900 tons, S\$146,990; China, 331 tons, S\$15,895; Canada, 65 tons, S\$4,657; Egypt, 64 tons, S\$3,477; Netherlands, 56 tons, S\$3,765; Australia, 26 tons, S\$2,030; Burma, 26 tons, S\$1,679; United States, 5 tons, S\$952.

By 1936 Japan had become the chief source of supply, having supplanted Netherlands India (Java) by virtue of lower prices. During most of 1937 Japan maintained her position in the trade, but after the outbreak of the Sino-Japanese hostilities in August, 1937, the Chinese throughout the East imposed an unofficial, but non-the-less effective, boycott upon all goods of Japanese origin. As most of the trade in potatoes in British Malaya is in the hands of Chinese importers and dealers, the boycott movement seriously affected imports of Japanese potatoes. During the first six months of the present year Japanese imports totalled only 2,115 tons as compared with 7,060 tons in the same period of 1937. From present indications, this condition will continue for the duration of the 1938-39 Canadian shipping season at least, and for this reason Canadian exporters stand a better chance in this market than at any time in the past.

VARIETIES AND PRICES

The Netted Gem variety has already been shipped to this market with considerable success from British Columbia, which is the best Canadian source of supply for this market because of its comparative proximity and more favourable shipping facilities. Potatoes from Eastern Canada can hardly be expected to arrive in good condition after such a long voyage and, moreover, prices have been found to be uncompetitive. Canadian No. 2, small to medium, is the most suitable quality and size. An important requirement is that the potatoes be grown in light soil. Dark soil is characteristic of Japanese potatoes, and it is almost impossible to convince local Chinese buyers that Canadian potatoes are not of Japanese origin if they show evidence of having been grown in dark soil. Further, potatoes grown in black soil have been found to be of inferior quality, deteriorating rapidly when shipped to this market.

With Japanese supplies in disfavour as a result of the boycott, potatoes are being offered on this market from many sources, including Java, Holland, Cyprus, Syria, Kenya, Egypt, New Zealand, and even from as far as Madagascar. Prices range from the equivalent of Canadian \$29.25 per ton of 2,000 pounds for potatoes from Kenya and Egypt to Canadian \$38 for Dutch and Syrian. To be competitive Canadian potatoes should be quoted c.i.f. Singapore at no more than Canadian \$33 per short ton, packed in crates. At this price a good volume of business should be possible.

PACKING

The packing generally preferred is in wooden crates as they permit of adequate ventilation and minimize spoilage. Supplies from Cyprus, Egypt, and such sources are packed in hampers of 50 kilograms and from Java in rattan baskets of $\frac{5}{6}$ picul (one picul equals $133\frac{1}{3}$ pounds). These types of packing are accepted, but the Canadian 100-pound crate is preferred. Potatoes from Australia enter this market in bags; but delivery from that source can be made in a maximum of seventeen days, so there is not the same risk of deterioration as in the case of shipments from Canada. Nevertheless, during the early months of the Canadian shipping season—September, October, November—stocks should be in a condition to stand shipment in bags. During the later

months, however—viz. December, January, February or March—shipment in crates is recommended.

SHIPPING

The most satisfactory routing for Canadian West Coast potatoes is per C.P.R. steamers to Hongkong, with transshipment at that port to British India, P. & O., or other on-carrying lines. Given a good connection at Hongkong, potatoes so routed can be delivered in Singapore in less than one month. It has been found from experience that the outturn of potato shipments by the C.P.R. steamers which take the northern route is more reliable than that of those by boats which call at Honolulu. Evidently the voyage through southern waters affects the keeping qualities. This is especially true during the later months of the shipping season.

CURRENT MARKET CONDITIONS

At present local stocks of potatoes are low and the market price is the equivalent of approximately Canadian \$52 per ton. However, by the time Canadian supplies appear stocks are expected to be available from other sources and the price will undoubtedly drop considerably. Actually the immediate future this year is quite unpredictable, with Japan to a great extent removed as a competitor. Dealers hesitate to commit themselves for future deliveries until the season is further advanced and a better idea of price trends is possible.

Netherlands India

Netherlands India, and especially Java, where 45,000,000 of the total population of 65,000,000 is concentrated, is practically self-sufficient as far as table potatoes are concerned. The small foreign imports are mainly into the outlying possessions. The total imported in 1935 was 78 tons valued at Canadian \$3,777, and in 1936 only 75 tons valued at \$3,336. Figures for 1937 are not yet available. The principal sources of supply are Holland (55 per cent) and Singapore (44 per cent).

Imports into the island of Java consist chiefly of seed potatoes. The average production of potatoes in Java during the past ten years has been approximately 40,000 tons annually and exports, principally to Singapore, totalled 1,916 tons in 1935, 3,703 tons in 1936, and 1,067 tons in 1937.

Thus, Netherlands India cannot be considered a possible outlet for Canadian table potatoes, although a fair market for Canadian certified seed might develop if experiments at present being carried on are successful. The principal requirement is that Canadian varieties, at present under test, prove resistant to a wilt disease prevalent in the potato-growing areas in the highlands of Java.

Siam

The population of Siam is approximately 15,000,000. As rice is the principal export commodity of the country and the main source of income for the bulk of the population, it also forms the staple diet. There is some local production of potatoes in Siam but the consumption per capita is negligible.

The latest statistics of imports are for the year ended March 31, 1937, and show a total import of 676 tons valued at Canadian \$13,450 as compared with 642 tons valued at \$13,800 in 1935-36 year. Japan was the source of supply for approximately 37 per cent; China, 35; Hongkong, 17; and the transshipment ports, Singapore and Penang, 1 per cent.

Canadian exporters to the Middle Asia market would be well advised to concentrate on the British Malayan market. Small stocks of Canadian potatoes would in all likelihood reach Siam from Singapore or Penang in any case.

UNITED STATES CHRISTMAS TREE TRADE

R. G. C. SMITH, ASSISTANT TRADE COMMISSIONER

New York, September 3, 1938.—Imports of Christmas trees have shown a rising trend since 1932 in keeping with the improvement of general business conditions. It is noteworthy, however, that the trade in the last four years has been well above the period of greatest prosperity—that is, from 1925 to 1928 inclusive.

The following table gives the imports, the value per 100 trees, and the combined business index for November of each year:—

	Number	Value per 100 Trees	Index
1925-28..	2,534,748	\$13.50	102.2
1929..	1,977,346	15.10	96.9
1930..	1,933,512	15.50	76.1
1931..	2,725,636	10.75	65.0
1932..	1,920,443	9.12	69.2
1933..	2,396,424	10.20	75.3
1934..	3,683,931	10.20	76.0
1935..	3,573,642	9.75	92.0
1936..	3,830,166	9.90	107.1
1937..	5,299,229	10.55	81.3

Actually the imports of trees are not altogether a reflection of the demand, since each year there is a greater or lesser number of trees unsold after Christmas. Further, the strength of demand in any one year has an indirect effect on the market for the following year. A year in which prices are strong, through good Christmas business in general and a small supply of trees, is usually followed by an over-supply of trees the next year, caused by a number of firms and individuals not regularly in the trade being attracted by the previous year's satisfactory trade and bringing in trees without any real regard to the power of absorption of the market. Conversely, there is a tendency for a heavy importation one year to be followed by a lower movement the next, unless there has been some startling business improvement to offset any depressing effects of an increased supply.

To illustrate: low imports in 1925 were followed by an increase in 1926. This rise was succeeded by a reduction in 1927, assisted by a lower business index. This alternation of rise and fall was repeated in 1928 and up to the depression of late 1929. At the same time, over the period 1925 to 1929, when the business index was generally rising, there was no general advance in volume of tree imports. It will be observed in the foregoing table that this cycle has not been followed since 1933.

1937 SEASON

Following a satisfactory trade in 1935, supplies of trees were heavy in 1936; the increase, however, was easily taken up, due to considerably improved buying at Christmas, and dealers reported good profits for two consecutive years. These good years reacted in accordance with the usual cycle in 1937 and there is no doubt that most, if not all, markets were very considerably over-stocked. Apart from the over-enthusiasm of the non-regular dealers, the sharp decline in business from the summer obviously affected the Christmas tree trade. No doubt as a result of the smaller circulation of Christmas money, there was a heavier demand for small table trees, and this may account for the considerable increase in the actual number of trees brought in. The number of bundles and carlots imported would not have shown a proportionate increase.

Until the week before Christmas the markets held up well with wholesale selling prices for Nova Scotia balsam trees at New York in carlots running \$1.75 to \$2.10 per bundle, and Quebec trees in small lots taking \$1.30 to \$2. Large shipments arriving on the Saturday in New York on top of large unsold

stocks, however, created a sudden drop in price on Monday and as Christmas approached the market became increasingly demoralized to the point where dealers were almost giving away trees to save demurrage expenses and cost of destroying left-overs. This situation, it is understood, was general in most markets.

TYPES OF TREES IN DEMAND

The Nova Scotia balsam is preferred to all others, although balsam firs from New Brunswick and Quebec have a rather large sale. Spruce is little used, especially in New York, and it brings prices considerably under those for balsam. Douglas fir trees from British Columbia are also imported and come as far east as Cleveland.

Trees must be bundled, the number to each bundle depending on the size. Bundles are made up of one to seven trees, with sizes of 5 to 6 feet representing the bulk of the trade. The butts must be sawn straight across and not pointed or uneven.

DISTRIBUTION

Most of the trees imported into the United States are shipped by rail, both in open flat cars and box cars. The latter do not hold as many trees as open flat cars, and the trees cannot be strapped down so tightly in them. Consequently they arrive in considerably better condition. Within the last year or so the trend has been to increase the use of the box car for this reason. It is estimated that flat cars carry between 450 to 550 bundles as compared with 325 to 375 bundles in the box cars. There is a small movement by boat, but many dealers do not favour this method of shipment owing to possibility of heating. Canada has been the only shipper of any importance, but in 1937 fairly large quantities of Newfoundland trees were brought in through Montreal to Chicago and through Philadelphia.

New York is the most important outlet for trees, but nearly every large eastern city handles substantial quantities. The following table gives the official figures of deliveries by earlots in the principal cities for 1935 and 1936, showing the proportion from Canada:—

	1935		1936	
	Canada	Total	Canada	Total
New York.. . . .	293	400	343	447
Newark.. . . .	*	91	*	24
Philadelphia.. . . .	125	203	94	159
Detroit.. . . .	21	45	3	40
Pittsburgh.. . . .	32	92	13	80
Cleveland.. . . .	20	52	23	55
Chicago.. . . .	56	146	50	198

* Not separately classified.

No figures are available for Boston, which is a large consumer of Christmas trees. The foregoing figures do not make a fair comparison since the growing use of box cars would tend to increase the earlot deliveries without increasing the actual number of trees delivered. Further, these deliveries indicate a falling off in imports compared with 1935, which was not actually the case. However, the table is interesting as it indicates the relative importance of the different markets.

METHODS OF SALE

Trees are sold in several ways, but there are only two ways that any Canadian shipper should even consider, namely: (a) sell outright to United States firms, who send their representatives to Canada in October, or earlier, to arrange for the purchase of standing trees, or trees delivered f.o.b. wagon; (b) send a representative to the principal United States cities to arrange for sales on a cash before shipment basis.

These two methods are used extensively and it cannot be over-emphasized that shippers should never consider more liberal terms. There is a large consignment trade in trees and in trees shipped on joint account (whereby the shipper and receiver agree to split the net profit), but the risks in consignment trade are too great for such methods to be recommended. The question of sales from Canada, therefore, comes down to shippers making contact with the larger United States firms that customarily send their representatives to Canada early in the season, sending a representative to the United States to make contracts before the shipping season, or selling through a recognized broker in Canada with United States connections.

The market for trees is so short and the volume of receipts so unpredictable that the ordinary risks of consignment shipments are accentuated. The receiver may have advanced freight and duty costs to the shipper; in addition his actual outlay on trees shipped on consignment is represented by a compulsory unloading charge (in New York) of 5 to 10 cents per bundle, depending on the market in which it is received, of cartage charges of 5 to 6 cents per bundle, and demurrage. The latter is free for two full days after receipt, \$3 per car per day the subsequent two days, \$4 per day the next two days, and \$7 for each following day. Any trees left over must be sent to New Jersey for burning. Thus, with charges increasing daily, it will be understood that any weakness in the market is liable to turn into complete demoralization to the point where the trees are given away. In spite of these conditions there are many shippers still selling on consignment.

Finally, it should be stated that, unless in exceptional cases, trees cannot be sold outright for importation a few weeks before Christmas, and therefore any shippers with trees to sell in the United States should make their contacts in October.

PROSPECTS FOR CHRISTMAS, 1938

Obviously, any forecast as to the probable outturn of the market for Christmas trees is of little value. But certain factors do influence the market in advance, and most important of all is the general condition of business preceding Christmas. Thus, Canadian shippers would do well to follow conditions in the United States as having a direct effect on the market for Christmas trees. The fact that the market was so weak last year is not necessarily an indication that it will be the same this year. In all probability local firms not ordinarily in this business which came into it last year because of the good results obtained in the two preceding years will have little inducement to enter the trade again this year.

Lists of possible buyers of Christmas trees are on file at the Department of Trade and Commerce, Ottawa.

MARKETS FOR HONEY IN NORWAY AND SWEDEN

RICHARD GREW, CANADIAN TRADE COMMISSIONER

Sweden

(One krona equals approximately \$0.25 Canadian; one kilo equals 2.2 pounds)

Oslo, August 13, 1938.—The production of honey in Sweden is fairly extensive, amounting on the average to approximately 900 metric tons per year. For the current year it is estimated that it will be somewhat below normal, owing to adverse weather conditions during the early part of the summer. During August weather conditions improved greatly and the outlook for the later varieties of honey is considered good.

The domestic production of honey is sufficient to meet the demand for table honey when an average crop is produced, and under ordinary conditions the only types of honey imported are for the baking and confectionery trade.

The following table shows the countries of supply and the quantity and value of honey imported from each into Sweden during 1935, 1936, and 1937:—

	1935		1936		1937	
	Kilos	Kronor	Kilos	Kronor	Kilos	Kronor
Denmark.. . . .	5,622	4,318	....	....	....	....
Germany.. . . .	5,940	3,869	....	....	....	....
United States.. . . .	....	....	7,391	5,715	7,599	5,725
Mexico.. . . .	....	....	....	....	2,653	2,155
Cuba.. . . .	....	....	....	....	4,444	3,510
Argentina.. . . .	....	....	....	....	4,415	3,605
Guatemala.. . . .	....	....	29,768	17,931	34,243	20,861
New Zealand.. . . .	....	....	3,470	5,643	7,799	17,120
Other countries.. . . .	5,251	3,730	9,939	7,138	6,744	5,727
Totals.. . . .	16,813	11,917	50,568	36,427	67,897	58,703

It will be noted that a considerable increase took place during 1936 as compared with the previous year, probably due to the fact that the domestic crop in 1935 was below normal.

During 1936 and 1937, almost 60 per cent of the import requirements were secured from Guatemala, which country was not specifically mentioned as a country of supply for the previous year. Likewise, the United States, which was the second most important source in 1936 and the third most important in 1937, is not mentioned in the 1935 figures.

As regards exports, Sweden has not been in a position to enter foreign markets for some years past. In each of the last three calendar years, exports have never totalled more than half a ton.

The principal varieties in demand on the Swedish market are light amber, fair average quality Guatemala honey and dark Jamaica. Most of the imported varieties are put up in 60-pound tins (2 to a case), 3-cwt. barrels and 5-cwt. casks.

Prices vary according to quality. For dark honey, recent prices ranged from 25 kronor to 43 kronor per hundredweight c.i.f. Stockholm. Sales are generally on a cash against document basis through buyer's bank.

There are no restrictions on the importation of honey into Sweden, except a duty of 23.50 kronor per 100 kilos, or approximately $2\frac{3}{4}$ cents per pound in Canadian currency.

Norway

(One krone equals approximately \$0.25 Canadian; one kilo equals 2.2 pounds)

Oslo, August 13, 1938.—Since Norwegian farms for the most part are of comparatively small size, it is necessary for the farmer to carry on as many different side lines as are economically possible. Those which do not require much space are particularly favoured and bee-keeping has this advantage. Further, Norway's climate and her abundance of flowers are favourable for the development of this industry.

The production of honey in Norway reached such importance that it was considered advisable some years ago to form an association to look after the interests of the producers, to regulate sales, and to endeavour to improve the quality of the product. At present, the most important organization is called Den Norske Biavlforning (The Norwegian Bee Keepers' Association). This organization is a co-operative movement and includes a majority of the apiaries of the country. By 1927 it had become so strong that the Government was induced to pass a law governing the sale and import of honey.

REGULATION OF QUALITY

Under this law, honey is considered to be a product gathered by bees from flowers and stored in beehives, and must contain no preservatives, dyes, sugar or water. If the product does not fulfil these requirements, it is regarded as a substitute and may not be sold under the name of honey or any term in which the word honey occurs. In addition, the name or term must not occur on the containers of such substitutes, nor in the invoice, nor in any other documents. The use of pictures of bees, beehives or honeycombs is forbidden as regards all kinds of substitutes, and in advertising nothing may be printed which might cause such substitutes to be mistaken for honey.

When honey is imported, it must be accompanied by a written declaration from the exporter to the effect that the product satisfies the requirements of the regulations concerning the quality of the honey. Without this declaration, the imported article must be sold as a substitute. All imported honey sold in retail stores must carry a label clearly marked with the words "Utenlandsk Honning." This stipulation applies even if the container is marked in a manner to indicate the country of origin, such as, for instance, "Canadian Honey." If honey is intended for retail sale, it must be put up in suitable containers, preferably tin or glass. If tin containers are used, they must be new and absolutely clean. The container must carry a label bearing the words "Ekte Honning," and also show the name of the producer or the seller. It is permissible to use expressions such as "clover honey" or "buckwheat honey," in addition to the term "Ekte Honning," when the producer or distributor knows that the honey has been mainly gathered from these flowers.

In addition to the Norwegian Bee Keepers' Association, there is also another organization known as the "Norges Birøkerlag" (Norwegian Bee Keepers' Society). This association, while not as large as the one previously mentioned, has a membership of 3,200 controlling 22,000 beehives with a yearly production of approximately 50 tons. Both organizations have their own central selling agency, but the honey produced by members of the Society is subject to inspection by officials appointed by the Norwegian Bee Keepers' Association.

PRODUCTION

The output of honey in Norway has remained at a fairly constant level for the past ten years, except in those years when seasonal factors, such as wet weather, have reduced the crop. The average yield is in the neighbourhood of 250 tons per annum, although production has reached a total of 310 tons in an exceptionally good year. During 1936, when there was a much heavier precipitation than usual, production was only 150 tons. The increase or decrease in the annual yield is due more to seasonal factors than to any increase or decrease in the number of hives.

Last year the yield was 273 tons, which is somewhat above the average, but prospects for the present season are not so promising. The early part of the summer was cold and rainy, reducing the yield of the early types of honey. The outlook for the later varieties, however, mainly heather and clover honey, has improved with hot, sunny days during August. It is hoped that an average yield will be harvested, but production will vary greatly in the different districts.

Domestic production of honey is usually sufficient for table use requirements. It consists mainly of clover honey of a light amber quality. There is also a darker honey produced, most of which is sold to the baking trade.

IMPORTS

During the last three years, the importation of honey into Norway has shown a marked advance. It increased from 28 tons in 1935 to 113 tons in

1937. The following table shows the countries of origin, the quantity and value of honey imported into Norway from each and total quantities and values during the years 1935, 1936, and 1937:—

	1935		1936		1937	
	Kilos	Kroner	Kilos	Kroner	Kilos	Kroner
France and Monaco.. . .	13,768	12,749	18,746	20,657	14,372	14,403
Netherlands.. . . .	377	360	1,958	1,327	405	310
Great Britain and Northern Ireland ..	7	6	3,394	2,118	311	322
United States.. . . .	3,935	2,493	20,429	13,790	30,674	22,410
Canada.. . . .	2,467	1,892	475	425	989	785
Guatemala.. . . .	3,758	2,727	11,391	7,311	38,499	25,268
Mexico.. . . .	2,044	1,460	15,305	10,072	4,715	2,968
Brazil.. . . .	....	....	2,051	1,094	17,687	10,077
Australia.. . . .	....	....	328	191	3,246	1,613
El Salvador.. . . .	....	....	....	....	2,094	1,357
15 other countries.. . .	2,285	1,487	2,429	1,821	268	377
Totals.. . . .	28,601	23,174	76,506	58,806	113,260	79,890

Until the past two years, France was the principal source of supply, price and quality having been consistently favourable. Recently, the United States, Guatemala, Brazil, and Mexico have been important suppliers, although imports from the latter two countries have varied considerably during the two-year period. Smaller quantities are imported from many different countries.

Although stocks of imported honey are now practically exhausted, it is not believed that additional quantities will be purchased for the balance of the year. Domestic supplies are now coming forward, and until these have been consumed, imports will not be important. In view of the rather uncertain outlook for the present crop, it is possible that considerable quantities will be required in the early months of 1939.

Norway does not export honey in important quantities. During 1936 and 1937 exports were practically nil. In 1935 they amounted to slightly more than 11 tons, practically all of which was shipped to the United Kingdom.

PACKING AND DUTY

The total duty on honey entering Norway is 1.08 krone per kilo, which is slightly more than 14 cents per pound in Canadian currency at the present rate of exchange. There is practically no imported table honey sold in Norway, and the demand on the part of bakers is for a fairly large-sized unit. The most popular container is a 60-pound can, which makes for easy handling.

TRADE OF ITALY, JANUARY TO JUNE

J. C. DEPOCAS, ASSISTANT TRADE COMMISSIONER

(One lira equals approximately \$0.052 Canadian)

Milan, August 1, 1938.—From a national standpoint the foreign trade of Italy showed an apparent improvement during the first half of 1938, her unfavourable balance of trade dropping by 33 per cent to 2,047,535,000 lire as compared with 3,171,390,000 lire in the corresponding period of 1937. Imports declined by 1,010,792,000 lire, amounting to 5,939,908,000 lire as against 6,950,700,000 lire in the first half of 1937; exports rose by 113,063,000 lire, totalling 3,892,373,000 lire as against 3,779,310,000 lire.

During January and February of this year, imports exceeded those of the corresponding months of 1937, but from March onward they fell to an ever-increasing extent below those of the same months of 1937. The decrease was 311,813,000 lire in April, 456,708,000 in May and 463,743,000 in June. Exports were higher than those of 1937 in each of the first three months, but they have

shown a decrease, very irregular in trend, in each month of the second quarter. Customs receipts, surtaxes, surcharges, etc. collected by the Customs dropped by 507,170,765 lire—from 1,782,265,818 lire in 1937 to 1,275,095,053 lire in 1938.

MAIN IMPORTS

Principal items of import, with corresponding figures for 1937 in parentheses, were: stones, earths, and non-metallic minerals (mostly coal), 1,015,106,000 (848,265,000) lire or 16.8 per cent of the total imports; cotton, 511,774,000 (561,829,000) lire or 8.5 per cent; mineral oils, 498,764,000 (464,437,000) lire or 8.2 per cent; iron ores, steel and iron, 422,568,000 (360,545,000) lire or 7 per cent; machinery, 388,980,000 (277,441,000) lire or 6.4 per cent; paper cardboard, 289,698,000 (176,995,000) lire or 4.8 per cent; wool, 278,277,000 (359,148,000) lire or 4.6 per cent; copper and alloys, 209,672,000 (265,565,000) lire or 3.5 per cent; lumber and timber, 175,373,000 (152,002,000) lire or 2.9 per cent; hides and skins, 167,609,000 (222,401,000) lire or 2.8 per cent; animal oils, fats, vegetable oils, 166,671,000 (169,827,000) lire or 2.8 per cent; grains, vegetables, etc., 145,608,000 (1,285,754,000) lire or 2.4 per cent (18.2).

PRINCIPAL EXPORTS

Chief items of export were: fruits, 735,451,000 (721,126,000) lire or 14.2 per cent; cotton goods, 501,457,000 (559,626,000) lire or 9.7 per cent; artificial textiles, 426,880,000 (444,097,000) lire or 8.3 per cent; vehicles, 326,220,000 (538,230,000) lire or 6.3 per cent; cereals and vegetables (mostly vegetables), 324,602,000 (290,010,000) lire or 6.3 per cent; woollen products, 221,461,000 (189,276,000) lire or 4.3 per cent; hemp, linen, jute and their products, 213,489,000 (227,355,000) lire or 4.1 per cent; beverages, 195,991,000 (183,993,000) lire or 3.8 per cent; silk, 167,873,000 (171,293,000) lire or 3.3 per cent; machinery, 180,625,000 (133,625,000) lire or 3.5 per cent; stones, earths and non-metallic ores, 137,054,000 (147,013,000) lire or 2.7 per cent; steel and iron, 135,051,000 (125,529,000) lire or 2.6 per cent. All the foregoing figures include the exports to the Italian colonies.

LEADING CUSTOMERS

The following table shows the imports from and exports to the countries with which Italy trades principally, the figures being for the first half of 1937 and 1938:—

	Imports		Exports	
	January-June 1938	January-June 1937	January-June 1938	January-June 1937
	1,000 Lire	1,000 Lire	1,000 Lire	1,000 Lire
Germany.....	1,412,693	1,179,992	869,816	731,017
United States.....	744,388	746,925	384,662	392,627
United Kingdom.....	369,644	195,015	265,250	308,536
Austria.....	245,567	328,403	114,941	132,172
Switzerland.....	194,503	168,822	233,575	250,303
Czechoslovakia.....	157,650	124,199	67,870	72,368
British India.....	151,158	228,415	58,178	51,545
Argentina.....	148,967	747,690	231,877	149,627
Poland.....	145,523	136,535	61,714	49,230
Turkey.....	137,173	49,141	28,935	83,127
Roumania.....	134,479	225,629	60,227	56,997

TRADE WITH CANADA

Imports from Canada dropped in value from 32,677,000 lire in the 1937 period to 18,502,000 in 1938, a decrease of 14,175,000 lire; and exports fell from 19,226,000 lire to 17,106,000 lire, a decrease of 2,120,000 lire, leaving a small trade balance in favour of Canada of 1,396,000 lire in 1938 against 13,451,000 lire in 1937.

Imports from Canada consisted mainly of four articles: cellulose, 7,479,000 lire; asbestos, 4,019,000 lire; wheat, 3,052,000 lire; and logs, 2,509,000 lire. All merchandise covered by "others" was valued at 1,330,000 lire.

Italy's exports were more diversified. They included olive oil, 1,967,000 lire; artificial fabrics, 1,809,000 lire; cotton fabrics, 1,057,000 lire; notions, 914,000 lire; hard paste cheese, 676,000 lire; fresh fruits, 762,000 lire; cotton manufactures, 628,000 lire, and woollen products, 628,000 lire.

CATALOGUES FOR MEXICO CITY OFFICE

The Canadian Trade Commissioner at Mexico City writes that on reviewing the catalogue library at that office it is found that the majority of catalogues on file are from four to five years old, and therefore in many cases must be obsolete or out of date, particularly in so far as price lists and discount sheets are concerned.

It is therefore suggested that those firms interested in the Mexican market and the markets of Honduras, Guatemala, and El Salvador supply the Mexico City office with duplicate or, preferably, triplicate copies of their latest catalogues, price lists, and discount sheets, and place that office on their mailing lists for any alterations thereto, so that the latest and most up-to-date information will be available to answer inquiries.

UNITED KINGDOM MERCHANDISE MARKS ACT

SPORTING CARTRIDGE CASES

With reference to the notice in *Commercial Intelligence Journal* No. 1791 (May 28, 1938), page 879, an Order in Council has now been passed requiring imported central-fire cartridge cases, whether capped or uncapped, for use with sporting guns, to be marked with an indication of origin in the manner described before sale or exposure for sale in the United Kingdom. While the order does not make an indication of origin compulsory at the time of importation, United Kingdom importers usually expect that overseas manufacturers will arrange for goods to be properly marked before shipment. The order comes into effect March 31, 1939.

TARIFF CHANGES AND CUSTOMS REGULATIONS

Ireland

REVISED CERTIFICATE OF ORIGIN

With reference to the notice in *Commercial Intelligence Journal* No. 1790 (May 21, 1938), page 830, concerning reductions in duty arising out of a trade agreement of April 25, 1938, between the United Kingdom and Ireland, which concessions are applicable to Canadian goods, the Canadian Trade Commissioner's office in Dublin advises that a new certificate of origin has been prescribed by the Revenue Commissioners of Ireland for such goods. The new certificate does not apply to certain woven tissues of silk and/or artificial silk nor to goods outside the scope of the agreement, in which case the appropriate form is No. 120 (Sale) as formerly. Supplies of the official forms may be obtained from the Government Publications Sales Office, 3-4 College Street, Dublin, Ireland (Eire). The published price is two for 1 penny or 2 shillings 6 pence per 100.

The Trade Commissioner reports that according to the official regulations the new forms must be printed in Ireland, but exceptions may be made in cases which the authorities consider desirable, provided they are advised previously. It is explained that if the new forms are not available, forms identical in every way, printed in Canada, may be accepted, provided the circumstances are brought to the notice of the authorities in Ireland, this privilege, however, being limited to cases of necessity and to initial or early exporting efforts only.

DUTY CHANGES ON TILES, GOLF BALLS, AND WOVEN TISSUES OF WOOL

Mr. James Cormack, Canadian Trade Commissioner in Dublin, advises that the Executive Council of Ireland has issued orders under the Emergency Imposition of Duties Act, 1932, making the following changes in rates of duty, effective August 17: On surface-glazed tiles formerly dutiable at 50 per cent ad valorem, full and preferential, the full rate has been raised to 75 per cent ad valorem or 4d. per article (whichever is greater) and the preferential rate has been changed to 50 per cent ad valorem or 3d. per article (whichever is greater). Golf balls, formerly dutiable at 15 per cent ad valorem full and 10 per cent ad valorem preferential, are changed to 9d. per ball full rate and 6d. per ball preferential rate.

On both these items a provision permits the Government to admit importation duty free under licence. However, on goods so imported from countries other than the United Kingdom and Canada there is a 10 per cent duty under the terms of the United Kingdom-Ireland Trade Agreement.

The duty of 15 per cent ad valorem is abolished on certain woven tissues of wool of Irish origin or manufacture when reimported and on which an export bounty was paid by the Irish Government.

RESTRICTION ON HAY, STRAW, AND PEAT MOSS LITTER

Mr. James Cormack, Canadian Trade Commissioner in Dublin, Ireland, writes that a new Order under the Diseases of Animals Acts of 1894 makes it illegal to bring a ship into any port of Ireland (Eire) containing hay, straw, or peat moss litter in bulk or as packing material or any article packed therein. The new Order comes into operation on September 12.

Australia

TARIFF RULING ON IMPORTED PIECE-GOODS

Mr. L. M. Cosgrave, Trade Commissioner in Sydney, Australia, writes that an Australian Customs decision, published on July 25, with reference to goods resembling piece-goods of wool, created some uncertainty among importers of piece-goods manufactured from staple and other synthetic fibres.

Item 105F1 in the tariff covers "piece-goods, woollen or containing wool, ordinarily used in the manufacture of outer clothing for human wear and weighing more than 3 ounces per square yard." The British preferential rate is 1s. per square yard plus 30 per cent ad valorem and the general tariff rate 2s. per square yard plus 50 per cent ad valorem.

Item 105D1 covers "piece-goods of artificial silk or containing artificial silk or having artificial silk worked thereon" with exceptions for certain enumerated goods. On this item the British preferential rate is 1½d. per square yard and the general tariff 9d. per square yard. There is an intermediate rate on this item of 4d. per square yard.

The British preferential rate on both items is accorded to Canada.

The ruling as first made classified under Item 105F1: "Piece-goods of synthetic fibre, which in pattern, design, or appearance resemble piece-goods

of wool or containing wool ordinarily used for the manufacture of outer clothing for human wear, weighing more than 3 ounces per square yard when (1) wholly of staple fibre or wholly of other synthetic fibres; (2) of staple fibre in admixture with other synthetic fibres; (3) of staple fibre or other synthetic fibres in admixture with natural fibres other than wool provided the synthetic fibres predominate." These textiles when weighing not more than 3 ounces per square yard, as well as other synthetic fibres, were classified under Item 105D1.

Owing to difficulty of ready identification of piece-goods which resemble woollen piece-goods, the Customs authorities later issued a revised Customs decision which defined the goods placed under Item 105F1 as "piece-goods of synthetic fibre which in pattern, design, or appearance resemble piece-goods of wool or containing wool, being worsteds, tweeds, serges, or flannels or being in the nature of worsteds, tweeds, serges, or flannels ordinarily used for the manufacture of outer clothing for human wear, weighing more than 3 ounces per square yard when (1) wholly of synthetic fibres other than synthetic fibres in the form of continuous filament; (2) of synthetic fibres in admixture with other fibres (excluding wool) except when synthetic fibres in the form of continuous filament predominate." These textiles, if weighing not more than 3 ounces per square yard, and other synthetic fibres, were classified under Item 105D1.

As originally prepared, the ruling covered an extensive range of those classes of rayon materials coming particularly from the United Kingdom and Canada. The revised ruling will not apply to continuous filament staple fibre textiles such as rayons, nor will it apply to short fibre materials unless these are obviously a substitute for worsteds, tweeds, serges, or flannels.

The proposed higher duty classification will apply specifically to wool substitutes, but prevent the application of penalty rates of duty to lighter weight staple fibre materials which cannot be used to replace woollens.

New Zealand

EXTENSION OF TRADE AGREEMENT

Arrangements have been completed for continuation in force of the Trade Agreement between Canada and New Zealand. The agreement in question was concluded in 1932 for one year, but has been renewed on a number of occasions for a limited period each time, the last renewal being in September, 1937, for the period up to September 30, 1938. The agreement, therefore, was due to expire unless both Governments agreed to its renewal.

It has now been arranged that the agreement shall continue in force for twelve months up to September 30, 1939, and an Order in Council has been passed to that effect. The Canadian Government has decided to discontinue exchange dumping duty which has been applicable to New Zealand butter under certain conditions. The New Zealand Government on its side agreed to co-operate as far as possible by limiting shipments to such reasonable proportions as will not unduly prejudice the interests of Canadian producers.

Under this trade agreement, Canadian exports to New Zealand, which consist chiefly of manufactured goods, among which may be mentioned automobiles, rubber goods, electrical apparatus, newsprint, and apparel, have expanded until during the twelve months ended June, 1938, they amounted in total value to \$16,552,328. During the same period imports from New Zealand, which consist largely of wool, hides and skins, and sausage casings, had a total value of \$5,187,917.

Union of South Africa

FREE ENTRY OF WOODEN BOXES FOR PACKING CITRUS FRUITS

It has been announced that in order to assist the citrus industry the Government of the Union of South Africa has decided to remit temporarily

the customs duty of 5 per cent ad valorem payable on wooden boxes imported for packing citrus fruits, and that consignments cleared at the ports on or after September 1, 1938, will be admitted free of duty. The remission is to apply to all importations from January 1, 1938, to August 31, 1939. Applications for refunds of duty already paid on consignments imported between January 1 and August 31 will be accepted up to October 15.

Netherlands

MONOPOLY TAX INCREASED ON CEREALS AND CEREAL PRODUCTS

Mr. W. G. Stark, Acting Trade Commissioner at Rotterdam, advises that by virtue of a ministerial order, effective August 21, 1938, the Netherlands monopoly tax on certain cereals and cereal products on entry into the country has been increased.

The old and new rates on the commodities affected of particular interest to Canadian exporters are as follows:—

	Old Rate Florins, per 100 Kilos (220 Pounds)	New Rate
Wheat.. . . .	2.00	2.50
Barley.. . . .	3.00	3.50
Rye.. . . .	3.00	3.50
Oats.. . . .	2.00	2.50
Buckwheat.. . . .	1.50	2.00
Macaroni.. . . .	5.75	6.50
Wheat flour.. . . .	5.27	5.87

Denmark

IMPORT AND EXPORT OF WHEAT AND RYE RESTRICTED

Mr. Richard Grew, Canadian Trade Commissioner at Oslo, cables that the Danish Government, effective August 26, imposed restrictions on import or export of wheat and rye. The principal reason is large domestic crops of good quality. Importation is allowed only with permission of the Government.

SOME IMPORT RESTRICTIONS REMOVED

The Canadian Trade Commissioner's office at Oslo advises that a number of commodities have been added to the list of "free" or unrestricted goods entering Denmark under the Import Control Law enacted in 1932 and still in force in revised form (see *Commercial Intelligence Journal* No. 1772: January 15, 1938, page 80). Additions since the revision of December 16, 1937, up to June 2 are as follows:—

Prunes and dried plums; ribbons and tapes; newsprint; raw rolled iron wire; raw rolled copper and bronze wire; zinc sheets; boiler zinc; wireless valves; planed or grooved wood prepared for house building; boards, planks, staves, circular wood, split wood timber and laths of hardwood; circular wood; split wood timber and laths of woods other than hardwood (except beechwood); boards, planks, and staves of other wood than hardwood (except beechwood); raw pasteboard for manufacture of roofing felt; white pasteboard under 900 grams per square metre; cellulose wadding; carbide stiffening canvas; picture books with foreign text; other pasteboard under 900 grams per square metre; acetone; wolfram wire and similar metal wire; circular saw and other machine saw blades; dried fruits (other than prunes and dried plums); crushed rice; rice meal; rice baking flour and tea.

Switzerland

INCREASED IMPORT DUTY ON WHEAT AND RYE

Writing under date August 22, 1938, Mr. W. G. Stark, Acting Trade Commissioner in Rotterdam, states that by virtue of a Swiss decree of August 13, 1938, effective August 17, 1938, the import duty on non-denatured wheat and rye has been increased from 0.60 franc to 3 francs per 100 kilos (from \$0.14 to \$0.69 per 220 pounds). The levy on denatured wheat and rye has remained unchanged at 0.60 franc per 100 kilos (\$0.14 per 220 pounds).

FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING SEPT. 6, 1938

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, September 6, 1938, and for the week ending Monday, August 29, 1938, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending August 29	Nominal Quotations in Montreal Week ending Sept. 6	Official Bank Rate
Austria	Schilling	.1407	.....	.....	—
Belgium	Belga	.1001	\$.1691	\$.1695	3
Bulgaria	Lev	.0072	.0125	.0124	6
Czechoslovakia	Koruna	.0296	.0345	.0346	3
Denmark	Krone	.2680	.2177	.2159	4
Finland	Markka	.0252	.0215	.0214	4
France	Franc	.0392	.0273	.0270	2½
Germany	Reichsmark	.2382	.4012	.4012	4
Great Britain	Pound	4.8666	4.8761	4.8367	2
Greece	Drachma	.0130	.0089	.0088	6
Holland	Guilder	.4020	.5459	.5420	2
Hungary	Pengo	.1749	.2979	.2973	4
		Unofficial	.1969	.1972	—
Italy	Lira	.0526	.0526	.0527	4½
Yugoslavia	Dinar	.0176	.0232	.0232	5
Norway	Krone	.2680	.2450	.2430	1½
Poland	Zloty	.1122	.1885	.1889	4½
Portugal	Escudo	.0442	.0442	.0438	4-4½
Roumania	Leu	.0060	.0074	.0073	3½
Spain	Peseta	.1930	.0575	.0522	5
Sweden	Krona	.2680	.2514	.2494	2½
Switzerland	Franc	.1930	.2288	.2269	1½
United States	Dollar	1.0000	1.0012	1.0028	1
Mexico	Peso	.4985	.1973	.1952	3
Cuba	Peso	1.0000	1.0005	1.0021	—
Guadeloupe	Franc	.0392	.0273	.0270	—
Jamaica	Pound	4.8666	4.8861	4.8467	—
Martinique	Franc	.0392	.0273	.0270	—
Other British West Indies	Dollar	1.0138	1.0160	1.0076	—
Argentina	Peso (Paper)	.4245	.3251	.3227	3½
		Unofficial	.2568	.2537	—
Brazil	Milreis (Paper)	.1193	.0585	.0587	—
British Guiana	Dollar	1.0138	1.0160	1.0076	—
Chile	Peso	.1217	.0517	.0519	3-4½
		Unofficial	.0400	.0401	—
Colombia	Peso	.9733	.5681	.5706	4
Peru	Sol	.2800	.2102	.2056	6
Venezuela	Bolivar	.1930	.3054	.3008	—
Uruguay	Peso	1.0342	.6416	.6365	—
South Africa	Pound	4.8666	4.8700	4.8306	3½
Egypt	Pound (100 Piastres)	4.9431	4.9992	4.9537	—
China (Shanghai)	Dollar	.....	.1715	.1702	—
Hongkong	Dollar	.....	.3045	.3023	—
India	Rupee	.3650	.3626	.3603	3
Japan	Yen	.4985	.2841	.2820	3.29
Java	Guilder	.4020	.5460	.5419	—
Siam	Baht (Tical)	.4424	.4469	.4430	—
Straits Settlements	Dollar	.5678	.5680	.5635	—
Australia	Pound	4.8666	3.9000	3.8700	3
New Zealand	Pound	4.8666	3.9320	3.9000	2

The Dominion Bureau of Statistics has supplied the following note:—

As the tenseness in the European situation increased, demand for gold became greater. Sterling values of gold mounted almost steadily and by September 5 had reached 144s. 1d., the highest level since March, 1935. The British pound remained under pressure and fell to \$4.8650 on August 30, marking the first time in over three years when quotations were below the former gold parity. Despite intimations of support by the American stabilization fund, sterling continued downward to \$4.8543 on September 3. Other European currencies were also weak. The French franc moved lower from 2.73 cents on August 30 to 2.72 cents on September 3, and the Dutch guilder declined from 54.50 cents to 54.42 cents during this period. Premiums on United States funds rose from an opening of ⅛ of 1 per cent to ⅞ of 1 per cent at the close of the week.

TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

Secretary, Board of Trade—

Saint John, N.B.
Halifax, N.S.
Quebec, P.Q.
Montreal, P.Q.
Toronto, Ont.
Chatham, Ont.

Kitchener, Ont.
Brantford, Ont.
Stratford, Ont.
Woodstock, Ont.
St. Mary's, Ont.
Portage la Prairie, Man.

St. Boniface, Man.
Winnipeg, Man.
Vancouver, B.C.
New Westminster, B.C.

Secretary, Chamber of Commerce—

Sherbrooke, P.Q.
Kingston, Ont.
Oshawa, Ont.
Belleville, Ont.

Peterborough, Ont.
London, Ont.
St. Catharines, Ont.
Hamilton, Ont.

Victoria, B.C.
Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.—

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

Secretary, Canadian Manufacturers Association—

Secretary Canadian Manufacturers Association—

Toronto, Ont.
Montreal, P.Q.

Winnipeg, Man.
Edmonton, Alta.

Vancouver, B.C.
Victoria, B.C.

Director, Trade Extension, Victoria, B.C.

Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.

Commodity	No.	Location of Inquirer	Purchase or Atency
Miscellaneous—			
Christmas Crackers.....	469	Christchurch, New Zealand	Agency.
Horsehide Gloves.....	470	Auckland, New Zealand.....	Agency.
Silk Piece-goods, Printed and Plain.....	471	Wellington, New Zealand....	Agency.
Wooden Dowels and Paint Brush Handles.....	472	Port Chester, New York.....	Purchase.
Plates of Asbestos.....	473	Tel-Aviv, Palestine.....	Agency.
Pipes and Bars, Galvanized.....	474	Hamilton, Bermuda.....	Purchase or Agency.
Fan Belts, Automobile.....	475	Dunedin, New Zealand.....	Agency.
Refrigeration Control Equipment	476	Wellington, New Zealand...	Agency.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Montreal

To Liverpool.—Duchess of York, Sept. 16 and Oct. 14; Duchess of Atholl, Sept. 23; Duchess of Bedford, Sept. 30; Duchess of Richmond, Oct. 7—all Canadian Pacific; Antonia, Sept. 23; Andania, Oct. 7—both Cunard-White Star Line; Vigor, Sept. 17; Taborfjell, Oct. 8—both Fjell Line.

To London.—Beaverford, Sept. 16; Beaverbrae, Sept. 23; Beaverhill, Sept. 30; Beaverburn, Oct. 7; Beavertale, Oct. 14—all Canadian Pacific; Aurania, Sept. 16 and Oct. 14; Ausonia, Sept. 30; Alaunia, Oct. 7—all Cunard-White Star Line; Rutenfjell, Sept. 21; Ornefjell, Oct. 5; Carmelfjell, Oct. 19—all Fjell Line.

To Manchester.—Manchester Regiment, Sept. 15; Manchester Division, Sept. 22; Manchester Port, Sept. 29; Manchester Commerce, Oct. 6; Manchester Progress, Oct. 13—all Manchester Line; Vigor, Sept. 17; Taborfjell, Oct. 8—both Fjell Line.

To Southampton.—Montrose, Canadian Pacific, Oct. 1 and 29.

To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.—Dorelian, Sept. 17; Dakotian, Oct. 7—both Cunard-Donaldson and Dominion Lines; Bristol City, Bristol City and Dominion Lines, Sept. 28.

To Glasgow.—Athenia, Sept. 16; Delilian, Sept. 23; Letitia, Sept. 30; Sulairia, Oct. 7—all Donaldson-Atlantic Line.

To Newcastle and Leith.—Cairnesk (also calls at Dundee), Sept. 21; Cairnmona, Sept. 28; Cairnross, Oct. 5; Cairnvalona, Oct. 12—all Cairn-Thomson Line.

To Aberdeen and Hull.—Bassano, Ellerman's Wilson Line, Sept. 23.

To Dublin and Belfast.—Torr Head, Sept. 11; Kenbane Head, Sept. 24—both Head Line (cargo accepted for Cork and Londonderry).

To Hamburg and Bremen.—Beaverhill, Sept. 30; Beaverbrae, Oct. 28—both Canadian Pacific (do not call at Bremen); Frankwald, Hamburg-American Line, Sept. 24; Augsburg, North German Lloyd Line, Oct. 21.

To Copenhagen, Gothenburg, Stockholm and Helsingfors.—Braheholm, Swedish-America-Mexico Line, Sept. 29.

To Norwegian Ports.—Vigor, Sept. 17; Taborfjell, Oct. 8—both Fjell Line; a steamer, Norwegian American Line, first half of September.

To Antwerp and Havre.—Beaverford, Sept. 16; Beaverbrae, Sept. 23; Montrose, Oct. 1; Beaverburn, Oct. 7; Beavertale, Oct. 14—all Canadian Pacific (do not call at Havre); Hada County, Sept. 18; Brant County, Sept. 30; August (does not call at Havre), Oct. 14—all County Line; Rutenfjell, Sept. 21; Ornefjell, Oct. 5; Carmelfjell, Oct. 19—all Fjell Line (do not call at Havre).

To Rotterdam.—Lista, Sept. 20; Grey County, Oct. 10; Flint 2, Oct. 20—all County Line; Rutenfjell, Sept. 21; Ornefjell, Oct. 5; Carmelfjell, Oct. 19—all Fjell Line.

To Marseilles, Genoa, Leghorn, Naples, Messina, Palermo, Gibraltar and Lisbon.—Capo Olmo, Sept. 12; Capo Noli, Oct. 1—both Capo Line (will also call at Cadiz and/or Seville and/or Casablanca if sufficient cargo offers).

To St. John's, Nfld.—Anna, Shaw SS. Co. Ltd., Sept. 14 (also calls at Harbour Grace, Bay Roberts, Carbonear and Port Union; will touch at Newfoundland south coast ports as cargo offerings warrant); Belle Isle, Newfoundland-Canada SS. Ltd., Sept. 23 (also calls at St. Pierre-Miquelon).

To Cornerbrook, Nfld.—New Northland, Sept. 12 and 26; Gaspesia, Sept. 21—both Clarke SS. Co.

To Puerto Rico, Barbados, Trinidad and Demerara.—Chomedy, Sept. 15; Colborne, Sept. 29; Cornwallis, Oct. 13—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To Hamilton, Nassau, Kingston and Belize.—Lady Somers, Sept. 14; Cathcart (calls at Kingston only), Sept. 23; Lady Rodney, Sept. 28; Cavalier (calls at Kingston only), Oct. 7—all Canadian National.

To Bermuda, St. Kitts, Antigua, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lundby, Sept. 23; Maud, Oct. 7; a steamer, Oct. 21—all Ocean Dominion SS. Corp. (call at Guadeloupe and Martinique if sufficient cargo offered).

To Santos and Buenos Aires.—A steamer, International Freighting Corp., about Oct. 15 (will also call at Rio de Janeiro if sufficient inducement warrants).

To Brisbane, Sydney, Melbourne and Adelaide.—Port Halifax, Montreal Australia New Zealand Line, Sept. 30 (will also call at Geelong).

To Auckland, Wellington, Lyttelton and Dunedin.—Kaimata, Montreal Australia New Zealand Line, Sept. 21.

To Cape Town, Port Elizabeth, East London and Durban.—Egori, Sept. 15; Calumet (also calls at Freetown, Lourenco Marques and Beira), Sept. 27—both Elder Dempster Lines Ltd.

To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Madras, Rangoon, Calcutta and Singapore.—City of Worcester, Sept. 12; City of Bath, Sept. 30—both Canada-India Service.

To Straits Settlements and Netherlands East Indies Ports.—Palembang, Sept. 24; Phemius, Oct. 21—both Blue Funnel Line.

From Quebec

To Southampton.—Empress of Australia, Sept. 17; Empress of Britain, Sept. 24, Oct. 8 and 22—both Canadian Pacific.

From Halifax

To Liverpool.—Newfoundland, Sept. 20; Nova Scotia, Oct. 8—both Furness Line; Manchester Exporter, Manchester Line, Sept. 26.

To London.—Dinteldijk, Sept. 15; Beemsterdijk, Sept. 22; Tiradentes, Oct. 1; Maasdam, Oct. 8—all Holland-America Line.

To Manchester.—Manchester Regiment, Sept. 18; Manchester Division, Sept. 25; Manchester Port, Oct. 2; Manchester Commerce, Oct. 9—all Manchester Line.

To Newcastle.—Cairnesk, Sept. 24; Cairnross, Oct. 8—both Cairn-Thomson Line.

To Cardiff and Bristol.—Boston City, Sept. 12; Bristol City, Oct. 1—both Bristol City and Dominion Lines.

To St. John's, Nfld.—Portia, Newfoundland Rys. and SS. Co., Sept. 14 and 28; Magnhild (also calls at St. Pierre and Newfoundland outports), Newfoundland-Canada SS. Ltd., Sept. 19, Oct. 3; Fort Amherst, Sept. 19; Fort Townshend, Sept. 26—both Furness-Red Cross Line (also call at St. Pierre); Newfoundland, Sept. 20; Nova Scotia, Oct. 8—both Furness Line.

To Kingston, Jamaica.—Cavelier, Sept. 12 and Oct. 10; Cathcart, Sept. 26—both Canadian National.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Hawkins, Sept. 22; Lady Drake, Oct. 6; Lady Nelson, Oct. 20—all Canadian National; Ary Lensen, Sept. 14; Lundby, Sept. 28; Maud, Oct. 12—all Ocean Dominion SS. Corp. (call at Guadeloupe and Martinique if sufficient cargo offered but not at Nevis or Montserrat).

To Puerto Rico, Barbados, Trinidad and Demerara.—Chomedy, Sept. 19; Colborne, Oct. 3; Cornwallis, Oct. 17—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To Santiago (Cuba) and Kingston (Jamaica).—Kirsten B., Sept. 21 and Oct. 19; Lutz, Oct. 5—both Pickford & Black Ltd. (also call at Jamaican outports as cargo offers).

To Far East Ports.—Malayan Prince, Furness-Prince Line, Sept. 21; Silversandal, Silver Line, Oct. 4.

From Saint John

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Hawkins, Sept. 14; Lady Drake, Sept. 28; Lady Nelson, Oct. 12—all Canadian National.

To Kingston and Jamaican Outports.—Crawford Ellis, United Fruit Co., Sept. 23 and Oct. 7 (cargo accepted for Caribbean, Central and South American ports with transshipment at Kingston).

From Vancouver

To Yokohama, Kobe and Osaka.—Hikawa Maru, Oct. 1; Hie Maru, Oct. 15; Heian Maru, Oct. 29—all Nippon Yusen Kaisha.

To Yokohama, Kobe, Shanghai, Hongkong and Manila.—Empress of Canada (calls at Honolulu), Sept. 17; Empress of Russia (calls at Nagasaki), Oct. 1; Empress of Japan (calls at Honolulu), Oct. 14; Empress of Asia (calls at Nagasaki), Oct. 29—all Canadian Pacific; Tyndareus, Oct. 4; Ixion, Nov. 3—both Blue Funnel Line (call at Miike but not at Manila).

To Tsingtao and Shanghai.—Gemstone (does not call at Shanghai), about Sept. 30; Ruperra, about Sept. 30—both North Pacific Shipping Co. Ltd.

To Honolulu, Suva, Auckland and Sydney.—Aorangi, Sept. 28; Niagara, Oct. 26—both Canadian-Australasian Line.

To Manila, Iloilo, Cebu, Soerabaya, Samarang, Batavia, Colombo and Bombay.—Tosari (calls at Saigon, Singapore and Persian Gulf ports, also at Port Swettenham and Belawan Deli if cargo offers), Oct. 1; Silverlaurel (calls at Belawan Deli, will also call at Singapore and Port Swettenham if cargo offers), Oct. 24; Hoegh Silverlight (calls at Saigon, Singapore and Persian Gulf ports, also at Port Swettenham and Belawan Deli if cargo offers), Nov. 1—all Silver-Java Pacific Line.

To Papeete, Auckland, Wellington, Dunedin, Melbourne and Sydney.—Tolten, Sept. 20; Speybank (also calls at Lyttelton), Oct. 2—both Canadian-Australasian Line.

To Brisbane, Sydney, Melbourne and Adelaide.—Tolken, Empire Shipping Co. Ltd., Oct. 10.

To London, Plymouth, Hull and Swedish Ports.—Axel Johnson, Sept. 23; Margaret Johnson (does not call at Hull), Sept. 30—both Johnson Line.

To London, Liverpool and Rotterdam.—Lochavon (calls Glasgow), Sept. 17; Lochkatrine, Oct. 1—both North Pacific Coast Line.

To Antwerp, Hamburg and Bremen.—Tacoma, Sept. 15; Portland, Sept. 24—both Hamburg-American Line; Schwaben, Oct. 3; Weser, Nov. 1—both North German Lloyd Line.

To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.—San Diego, Sept. 18; San Jose, Oct. 7; Wisconsin, Oct. 24—all Empire Shipping Co. Ltd.

To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.—Leme, Sept. 22; Fella, Oct. 8—both Empire Shipping Co. Ltd.

To Port of Spain (Trinidad) and Bridgetown (Barbados).—A steamer, Canadian Transport Co., September.

To Cape Town, Port Elizabeth, East London, Durban and Lourenco Marques.—Silverwillow, Oct. 7; Modjokerto, Nov. 5—both Silver-Java Pacific Line (call at Beira and Calcutta, will also call at Colombo and Madras if sufficient cargo offers).

To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.—Hoyanger, Sept. 26; Leikanger, Oct. 27—both Empire Shipping Co. Ltd. (will call at West Coast ports if sufficient cargo offered).

COMMERCIAL INTELLIGENCE SERVICE

L. D. WILGRESS, *Director*

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Melbourne: FREDERICK PALMER. Address for letters—Box 196C, G.P.O. Office—Safe Deposit Office Building. (Territory includes States of Victoria, South Australia, Western Australia, and Tasmania.) *Cable address, Canadian.*

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B. C. BUTLER, Union Building, Singapore, Straits Settlements. (Territory includes the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India.) *Cable address, Canadian.*

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Cape Town: G. R. HEASMAN. Address for letters—P.O. Box 683. Office—Cleghorn & Harris Building, Adderley Street. (Territory includes Cape Province and Southwest Africa, Natal, Tanganyika, Kenya, Uganda, Mauritius, and Madagascar.) *Cable address, Cantracom.*

Johannesburg: J. L. MUTTER. Address for letters—P.O. Box 715. Office—Prudential Assurance Bldg., 92 Fox Street. (Territory includes Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland.) *Cable address, Cantracom.*

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London: J. H. ENGLISH, Trade Commissioner, Canada House, Trafalgar Square, S.W.1. (Territory includes Home Counties, Southeastern Counties, and East Anglia.) *Cable address, Sleighing, London.*

London: W. B. GORNALL, Fruit Trade Commissioner, Aldine House, Bedford Street, Strand, W.C.2. *Cable address, Canfracom.* (Territory—for fresh fruit only—includes United Kingdom, Norway, Denmark, Sweden, France, Holland, Belgium, and Germany.)

London: W. A. WILSON, Animal Products Trade Commissioner, Canada House, Trafalgar Square, S.W.1. *Cable address, Agrilison.*

Liverpool: ACTING TRADE COMMISSIONER, Martins Bank Building, Water Street. (Territory includes North of England, Lincolnshire, North Midlands, and North Wales.) *Cable address, Canadian.*

Bristol: E. L. McCOLL, Northcliffe House, Colston Avenue. (Territory includes West of England, South Wales, and South Midlands.) *Cable address, Canadian.*

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D. S. COLE, British Empire Building, Rockefeller Center, New York City. (Territory includes Bermuda.) *Cable address, Cantracom.*

Note.—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.

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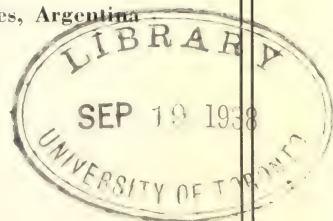
Vol. LIX

Ottawa, September 17, 1938

No. 1807



Unloading Seed Potatoes from Canada at Buenos Aires, Argentina



ISSUED BY AUTHORITY OF
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE
JAMES G. PARMELEE, DEPUTY MINISTER

CONTENTS

	Page
Trade Commissioners on Tour	457
Wheat and Flour in Ireland	458
Canned Fruits and Vegetables Market in the British West Indies (Eastern Group)	461
Trade of Jamaica in 1937—	
III. Exports	465
Market for Canned Fruits and Vegetables in New Zealand..	468
Trade of Nyasaland in 1937	473
Trade of Hongkong, January to June	475
British North Borneo in 1937	477
Seed Potato Market in Argentina and Uruguay.....	478
Canadian Certified Seed Potatoes in Chile, Peru, and Ecuador	480
Foreign Trade of Guatemala, January to June	481
Import Trade of Norway	482
Fish Meal Market in the Netherlands	488
Japan's Foreign Trade, 1937	490
Foreign Trade of China, January to June.....	498
Economic Conditions in Siam.....	503
Tariff Changes and Customs Regulations	505
Foreign Exchange Quotations	507
Trade Inquiries for Canadian Products	508
Proposed Sailings from Canadian Ports	508
Commercial Intelligence Service	511

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Vol. LIX

Ottawa, September 17, 1938

No. 1807

TRADE COMMISSIONERS ON TOUR

Mr. J. C. Macgillivray, Canadian Trade Commissioner at Berlin, Germany (whose territory includes Czechoslovakia and Poland); Mr. J. L. Mutter, Canadian Trade Commissioner at Johannesburg, South Africa (whose territory includes the Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland); and Mr. M. J. Vechsler, Canadian Trade Commissioner at Lima, Peru (whose territory includes Bolivia, Ecuador, and Chile), are visiting the principal industrial centres of Canada in the interest of Canadian trade with their respective territories. Their itineraries are as follows:—

Mr. Macgillivray

Vancouver.	Sept. 19 to 21	Halifax and Stewiacke. . .	Nov. 2 and 3
Victoria.	Sept. 22	Kentville, Wolfville and	
Vernon and Kelowna. . .	Sept. 27 and 28	Bridgetown	Nov. 4 and 5
Edmonton.	Oct. 3	St. John and Black's	
Winnipeg.	Oct. 6	Harbour	Nov. 8
Ottawa.	Oct. 10 and 11	Toronto and Weston . . .	Nov. 11 to 18
Montreal and district. . .	Oct. 20 to 28	Kitchener	Nov. 21
Quebec and Levis. . . .	Oct. 31	London and Ingersoll. . .	Nov. 22

Mr. Mutter

Victoria, Vancouver		Ottawa and Carleton	
and New Westminster. . .	Sept. 19 to 24	Place.	Oct. 31
Vernon.	Sept. 26	Renfrew and Pembroke . .	Nov. 1
Summerland.	Sept. 27	Brockville, Kingston and	
Calgary.	Sept. 29	Picton	Nov. 2
Winnipeg.	Oct. 1	Oshawa, Bowmanville and	
Ottawa.	Oct. 3	Cobourg	Nov. 3
Sackville and Amherst . .	Oct. 5	Orillia, Gravenhurst and	
Truro.	Oct. 6	Huntsville.	Nov. 4
Halifax and Kentville. . .	Oct. 7 and 8	Toronto and district . . .	Nov. 7 to 19
St. John.	Oct. 10	Guelph.	Nov. 21
Quebec.	Oct. 12	Kitchener and district . .	Nov. 22 to 24
Montreal and district. . .	Oct. 13 to 29		

Mr. Vechsler

Toronto.	Sept. 19 and 20	Ottawa.	Sept. 23
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Firms who wish to be brought in touch with the Trade Commissioners should communicate: for Toronto, Winnipeg, Edmonton, Victoria, and Vancouver, with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other centres, with the respective Board of Trade or Chamber of Commerce.

WHEAT AND FLOUR IN IRELAND

JAMES CORMACK, CANADIAN TRADE COMMISSIONER

Dublin, August 10, 1938.—Wheat and wheat flour in Ireland continue to be controlled strictly by the Fianna Fail Government, and since the Agricultural Produce (Cereals) Act of 1933, each succeeding year has seen a new Act altering, extending, and amending the previous one. The 1938 amendment was introduced immediately after the completion of the agreement made this year in London between the United Kingdom and Ireland. It did not make many changes so far as wheat and flour are concerned, but it gave the Ministers of Industry and Commerce and of Agriculture power to make, by orders, many changes in the law which formerly required Acts of Parliament. One interesting concession in the amendment permits gifts of wheaten preparations less than 5 pounds in weight and 10s. in value to be imported as baggage, or by parcel post, without any restriction. Power was also given to the two ministers to allow wheaten preparations and scheduled wheaten stuffs, which are at present only imported under licence, to be imported free of duty without a licence.

WHEAT

One result of the control over wheat and wheat flour is that the 21,000 acres planted to wheat in 1932 has increased to approximately 220,000 acres in 1937. The last-mentioned figure is a decrease of about 30,000 acres from the previous year.

In a normal year, with a normal yield, the consumption of wheat and its products in this country would require roughly the production from 1,000,000 acres. It will thus be seen that scarcely one-quarter of the total requirements are now home-grown. Official estimates of the acreage planted to wheat for the cereal year 1937-38 is 229,400 statute acres. Reports from farms show that both winter and spring wheat are expected to be satisfactory, despite early fall frosts and an abnormally heavy rainfall during June and July. There are conflicting rumours as to the ultimate success of the strenuous government policy of "grow more wheat" and of making the country self-supporting in the matter of cereals. Much will depend upon the success of the sale of animals in the United Kingdom, because the average farmer here is more inclined to rear cattle than to grow crops. The weather in recent years has also tended to discourage the growers, and it is only being offset by strenuous government support and assistance as indicated further on.

EFFORTS TO RAISE PRODUCTION

An association of millers and wheat merchants was formed for the protection of their interests, and its members agreed last year to pay a price above the guaranteed minimum price, which varied from 26s. 6d. to 28s. 6d. per barrel of 280 pounds for wheat bushelling at 59 to 62 pounds, and they did, in fact, pay 30s. per barrel for this wheat. For the current season the association buyers have decided to offer as follows for wheat per barrel of 280 pounds: bushelling 62 pounds or over, 30s. 6d.; bushelling 59 pounds to under 62 pounds 30s.; bushelling 56 pounds to under 59 pounds, 29s. 6d.; bushelling 53 pounds to under 56 pounds, 27s. 6d.

Intensive government efforts to continue increasing the acreage are being maintained and many acres of ranch, sporting, pasturage, and other lands are

annually being reclaimed to wheat by compulsory purchase and by the transferring, subsidizing, and settling thereon of farmers from less fertile areas. This is carried out by the Irish Land Commission and has not always been an unqualified success on account of the inexperience of these farmers in growing wheat. There seems little doubt, if the present subsidized prices continue to be paid the growers, that the acreage of wheat will tend to increase in the next few years.

Briefly stated, the chief government aids to more intensive local cultivation of wheat are widespread newspaper and poster propaganda, issue of educational leaflets, visiting by experts, seed experimentation, facilities for cheap purchase of seed for use in congested districts, prohibition of imports of wheat except under licence, compulsory milling of a growing percentage of local wheat in flour and wheaten meal (24 per cent), and fixed minimum prices according to bushel weight, pursuant to the Agricultural Produce (Cereals) (Amendment) Act, 1936, payable to the growers by the merchants or millers. The customs duty of 6d. per cwt. (no preference) on imported wheat imposed for revenue purposes has been removed. Wheat of all kinds may be imported under licence of the Minister of Agriculture, which is granted to registered importers. These import licences have been freely given to some thirty importers, but in practice nearly all the business is carried on by three or four large importers.

SEED WHEATS

There seems to be a scarcity of spring varieties of pure seed wheat. As this is a relatively large trade, it is suggested that Canadian specialists might endeavour to cater for this market by producing a good, late-sowing pure spring seed wheat, suitable for growing here in the late spring, which would ripen early and give a good yield despite a climate with a tendency towards excessive rain and a lack of sunshine. Supplies have recently been brought from Sweden ("Diamante") and from Holland.

WINTER SEED WHEAT

The major varieties of winter seed wheat used in Ireland are "Queen Wilhelmina," "Squareheads Master," "Double Standup," "Yeoman," and "Little Joss," although there are dozens of other varieties imported to a very much smaller extent than those mentioned. The total number of barrels of winter seed wheat imported for the season 1936-37 was 67,593, while for 1937-38 the figure was 73,189 barrels.

SPRING SEED WHEAT

By far the most outstanding spring seed wheat is "Red Marvel," but reports have come in from many districts that the crops have not been successful, and this type of wheat is blamed as being unsuitable. "April Red" and "Diamante" are next in demand, but supplies of these two are distinctly limited. Last year the millers were asked by the Government to hold over some suitable "Manitoba No. 1" hard wheat, and were given licences empowering them to sell such wheat to seed merchants for recleaning and for sale for sowing, to be used as a reserve seed supply, as at one time a distinct seed shortage was threatened. Such "Manitoba" wheat, however, when used, did not prove very satisfactory, and in some cases the crops did not come beyond the grass stage, or gave a yield that

was almost negligible. The total number of barrels of spring seed wheat imported for the season 1936-37 was 89,730, while for 1937-38 it was 109,271.

WHEAT OFFALS

Wheat offals are specifically mentioned in Schedule 2, Part II, of the United Kingdom-Eire Trade Agreement of this year, which says with regard to them that the Government of Ireland undertook to admit free of customs duty and quantitative regulation such goods produced in the United Kingdom. It is understood that this privilege does not extend to Canada. Imports of wheat, taken from the official statistics, for the years 1935, 1936, and 1937, and for the first six months of 1938, are given below.

IMPORTS OF WHEAT

The following table shows imports of wheat into Ireland for the calendar years 1936 and 1937, and for the first six months of 1938, quantities being in hundredweights of 112 pounds:—

Imports of Wheat into Ireland

Country of Origin	1936 Cwt.	1937 Cwt.	Jan.-June 1938 Cwt.	1936 £	1937 £	Jan.-June 1938 £
Total..	8,024,622	6,487,911	3,283,338	3,036,110	3,499,701	1,599,273
Great Britain..	2,282	14,681	31,066	1,251	7,304	14,133
Northern Ireland..	802	....	....	347	....	....
France..	112,014	360	....	34,065	198	....
Poland (incl. Danzig)..	44,800	....	....	16,716	....	....
Russia..	5,559	43,051	36,682	2,129	22,240	16,625
Argentina..	200	169,037	1,200	65	79,892	476
Canada..	2,978,799	2,529,415	941,684	1,188,366	1,459,770	565,616
United States..	289,565	667,694	1,477,531	106,010	335,903	665,890
Australia..	4,361,970	3,059,833	795,175	1,619,254	1,592,589	336,533
Portugal..	166,411	....	....	48,524	....	....
Hungary..	41,791	....	....	13,167	....	....
Yugoslavia..	20,385	....	....	6,184	....	....
Denmark.. . . . .	....	3,800	....	....	1,772	....

FLOUR

The importation of flour into Ireland is totally prohibited, except under licence of the Minister of Industry and Commerce. So far as Canada is concerned, this former large trade is a thing of the past. In practice, these licences are given only to the biscuit manufacturers, who maintain that they require a certain type of flour which contains no admixture of native wheat, which (to the extent of 24 per cent, according to the latest order for the current cereal year) must be added to imported wheat milled here. A small percentage of the flour required by biscuit manufacturers is being milled in Ireland from special wheat.

FLOUR MILLING

There are thirty-six different flour mills in Ireland and they are licensed to mill a total of roughly 4,275,000 barrels of wheat. This is the total quantity of wheat, both imported and native, normally milled into flour. The output of the thirty-six mills is 476·78 sacks per hour. The percentage of native wheat milled by the Irish mills for the twelve-month period ending August 31, 1938, by government order is a little over 24 per cent. It is anticipated that this percentage will be increased to roughly 35 per cent for the coming cereal year, in view of the larger acreage planted to wheat.

BREAD PRICES

In accordance with the terms of the Bread (Price) No. 2 Order of the Bread (Standard Price of Flour) (No. 9) Order, dated June 1, 1938, batch bread may not be sold retail at more than 11½d. per 4-pound loaf, so long as the standard fixed price for flour remains at the present rate of 48s. 6d. per 280-pound sack. This high price is the result of the high wage rates and of the obligation imposed on millers to purchase and to mill 24 per cent of their total quota in Irish wheat.

Under the Conditions of Employment Act, the number of normal baking working hours is limited to 48 per week, and the workers are entitled to a week's holiday, in addition to six public holidays per year, all with full pay. Owing to the recent threatened strike, the working time has now been reduced to 44½ hours per week and the rates of pay for ovenmen increased from 102s. to 104s. per week, and for table hands from 89s. 6d. to 91s. 6d., an increase of 2s. in each case.

IMPORTS OF FLOUR

The official figures of the imports of flour for the years 1935, 1936, and 1937, and for the first six months of 1938 are shown in the following table:—

Imports of Wheaten Flour into Ireland

	1935	1936	1937	Jan.-June	1935	1936	1937	Jan.-June
	Cwt.	Cwt.	Cwt.	Cwt.	£	£	£	1938
								£
Great Britain.. . . .	116,478	118,650	102,469	45,364	47,313	63,228	71,200	29,584
Northern Ireland .. .	5,294	.....	.....	.....	2,754	.....	.....	.....
Canada.. . . .	102,429	18,445	11,688	4,338	54,911	10,530	9,573	3,318
United States.. . . .	250	.....	.....	.....	122	.....	.....	.....
Australia.. . . .	3,500	1,188	3,188	.....	1,840	1,058	2,163	.....
Total.. . . .	227,951	138,283	117,345	49,702	106,940	74,816	82,936	32,902

NOTE.—Up to April 1, 1935, figures of imports were classified by country of consignment. Since that date, they have been classified by country of origin.

IMPORTS OF WHEATEN COMMODITIES

There seems a tendency to relax the stringent prohibition of the imports of wheaten breakfast foods and other preparations; and certain types are again being imported under licence. The United Kingdom-Eire Trade Agreement (Schedule III) mentions "flour and bread" as the commodities to be admitted free of quantitative restriction, if so recommended by the Prices Commission, and if they do not "endanger the prospects of success of the producers and manufacturers of such goods in Eire."

CANNED VEGETABLES AND FRUITS IN THE BRITISH WEST INDIES (EASTERN GROUP)

G. A. NEWMAN, ASSISTANT TRADE COMMISSIONER

Port of Spain, Trinidad, August 19, 1938.—The market for canned vegetables and fruits in the British West Indies is restricted to the white and wealthy native population, as the majority of the natives are neither familiar with, nor in a position to purchase, such products. An abundance of cheap native fruits and vegetables supplies their needs, and to some degree limits the volume of imported canned goods. Yet within the market specified there has been a steady increase in the importation of canned fruits and vegetables during the past few years, and especially during 1937.

Canned Vegetables

Canada is the main source of supply of canned vegetables for the British West Indies. In 1937 the three important markets of Trinidad, Barbados, and British Guiana imported canned vegetables to the value of \$59,394 (1936, \$43,500), of which Canada supplied 32·3 per cent, the United Kingdom 14·7 per cent, the United States 11·1 per cent, and Portugal, because of heavy shipments of tomato paste to British Guiana, 15·1 per cent. Imports of canned vegetables into the lesser markets of the Leeward and Windward Islands were negligible.

TRINIDAD

Increased imports of canned vegetables from Canada in recent years have been coincident with a general increase in Trinidad imports of canned and preserved vegetables, which have more than doubled in value between the years 1933 and 1937 inclusive. Canadian canned vegetables in 1933 provided 21·6 per cent of the total value of imports, 38·1 per cent in 1936, and 40·7 per cent in 1937.

Total imports in 1937 were valued at \$33,545 (1936, \$25,066), of which Canada was credited with \$13,669 (1936, \$9,533); United Kingdom, \$6,358 (\$4,083); United States, \$4,072 (\$4,816); China, \$5,153 (\$3,275); France, \$1,934 (\$1,747); and other countries, \$2,359 (\$1,199).

VARIETIES AND PACK

Canadian canned peas are outstanding on the Trinidad market and are in strong demand. In order of volume of retail sales, the leading canned vegetables retailed by local shops are as follows: peas (No. 3), beets, sweet corn, all from Canada; cauliflower and Brussels sprouts from the United Kingdom. The size of tin is 2's for all.

COMPETITION

In addition to two well-known United States brands, which have been the main competitors of Canadian canned vegetables, a third United States brand of vegetables and soups appeared on the market in 1937, and, selling below established retail values, made fair progress.

TARIFF

Canned vegetables imported into Trinidad are subject to a general tariff of \$2.50 per 100 pounds and a British preferential tariff of \$1.25 per 100 pounds.

BARBADOS

Total Barbados imports of canned and preserved vegetables in 1937 were valued at £1,256 (1936, £1,209), of which Canada was credited with £609 (£646), United States £370 (£261), the United Kingdom £149 (£159), and other countries £128 (£10).

VARIETIES AND PACK

Peas, tomatoes, and corn are the leading products in demand, in the order mentioned, with lesser quantities of lima beans, refugee beans, beets and carrots finding a moderate sale. Canadian canned peas dominate the canned vegetable market, with a good sale also in Canadian sweet corn and tomatoes. Ten-ounce and 18-ounce tins are popular on this market.

COMPETITION

During the year, the new United States brand already mentioned was introduced on the Barbados market, and, selling at two to three cents per 10-ounce tin, and four cents per 18- and 20-ounce tin below established United States and Canadian brands, became one of the leading competitors in the trade.

TARIFF

Canned vegetables are subject to a specific tariff of 2s. 1d. (50 cents) per 100 pounds British preferential and 4s. 2d. (\$1) per 100 pounds general tariff, plus a 10 per cent surtax on both classifications. Canadian products are accorded preferential treatment.

BRITISH GUIANA

Since 1932, imports of canned, dried, or preserved vegetables have more than doubled in volume, totalling 221,247 pounds in 1937, or 80,142 pounds more than in 1936. This sudden increase during the past year was accounted for by heavy imports from Portugal.

Total imports in 1937, according to value, amounted to \$19,821 (1936, \$12,631, of which Portugal's share was \$9,008 (1936, \$4,762), Canada \$2,611 (\$2,419), United States \$1,789 (696), United Kingdom \$1,659 (\$1,815), Holland \$1,249 (\$956), Belgium \$1,251 (\$843), and other countries \$2,254 (\$1,140). Imports from Portugal consisted largely of tomato paste for local consumers of Portuguese extraction.

VARIETIES AND PACK

Peas are the major canned vegetables sold in British Guiana. There is little demand for other kinds such as canned corn and tomatoes. Most of the canned vegetables, apart from peas, are shipped to the gold and diamond fields where it is difficult to cultivate fresh vegetables.

TARIFF

Canned vegetables imported into British Guiana are subject to a British preferential tariff of \$1 per 100 pounds and a general tariff of \$2 per 100 pounds, both classifications being subject to a 30 per cent surtax, plus a bill of entry fee of 3 per cent.

Canned Fruits

There has been a steady increase in the imports of canned and preserved fruits into the British West Indies markets (Eastern group) during the last five years.

Total imports in 1937 into the three major markets of Trinidad, Barbados, and British Guiana were valued at \$49,670 (1936, \$31,033), of which the United States was credited with 40.6 per cent, or \$20,158 (1936, \$10,725), Canada 24.9 per cent or \$12,372 (1936, \$9,512), United Kingdom 9.9 per cent or \$4,915 (1936, \$5,301), France 8.7 per cent or \$4,337, and Australia 7 per cent or \$3,521. Imports into the lesser markets of the Leeward and Windward Islands were negligible.

TRINIDAD

Total imports of canned fruits in 1937 were valued at \$23,194 (1936, \$12,578), of which the United States was credited with \$12,215 (\$5,564), Canada \$7,265 (\$3,915), France \$1,274 (\$1,661), United Kingdom \$1,343 (\$824), and other countries \$1,097 (\$273).

VARIETIES AND PACK

Canadian canned fruits are prominent on the Trinidad market, but two established United States brands still retain the lead, according to retail distributors. The leading canned fruits, in order of volume of retail sales, are as follows: pears, peaches, fruit salad, pineapple, all 2½'s and all from the United States; strawberries, 2's, from Canada; and strawberries, 2's, from the United

Kingdom. Canadian pears in squat tins of 1 pound 2 ounces have a good sale on this market, and there is a fair demand for Canadian peaches.

COMPETITION

Two United States brands and one Canadian brand are the chief competitors on this market. Imports from the United Kingdom are confined largely to jams, marmalades, and jellies, though tinned berries from the United Kingdom are on sale.

TARIFF

Canned fruits imported into Trinidad are subject to a general tariff of \$1.92 per 100 pounds and a British preferential tariff of 96 cents per 100 pounds, plus a surtax of 15 per cent on both classifications. Canadian imports are accorded preferential treatment.

BARBADOS

Barbados imports of canned fruit increased by little more than £300 from 1932 to 1936, but in 1937 there was a gain of £1,425, due largely to increased purchases from the United States and Australia.

Total imports in 1937 amounted to £2,812 (1936, £1,387), of which the United States was credited with £1,235 (£739), Australia £351, United Kingdom £273 (£309), Canada £214 (£139), South Africa £160 (£45), and other countries £579 (£115).

VARIETIES AND PACK

The chief varieties of canned fruit imported are pears, peaches, and apricots, in the order mentioned, with smaller quantities of cherries and pineapple, packed in 10-ounce and 18-ounce tins. Imports from the United Kingdom consist largely of strawberries, with moderate quantities of raspberries, loganberries, and plums.

COMPETITION

Two well-advertised and long-established brands are responsible for the predominant position of imports from the United States, prices being about the same as those for a leading Canadian brand. Australian canned fruits of flavour and appearance similar to those from the United States were introduced on the Barbados market in 1937 at prices lower than the United States products, with the result that imports from Australia were second in value to those from the United States.

TARIFF

Canned fruits imported into Barbados are subject to a British preferential tariff of 10 per cent ad valorem, and a general tariff of 20 per cent ad valorem, both classifications being subject to a surtax of 10 per cent.

BRITISH GUIANA

Total imports in 1937 were valued at \$12,979 (1936, \$11,798), of which Canada was credited with \$4,035 (\$4,930), United Kingdom \$2,262 (\$2,294), United States \$2,015 (\$1,614), France \$2,679 (\$1,520), Australia \$1,482 (\$118), and other countries \$506 (503).

VARIETIES AND PACK

The leading varieties of canned fruits imported are peaches, Bartlett pears, apricots, plums, and some strawberries and raspberries, the last two products being stocked only in small quantities on account of the high acid content affecting the tins. The popular demand is for fruits packed in 1½ tins, followed by 2½ tins and a few No. 1's and 8-ounce tins.

COMPETITION

Unlike Trinidad and Barbados, the chief competition comes from two well-known English brands covering a wide variety of canned and bottled fruits. As in the case of the Barbados market, there was a heavy increase in canned fruits from Australia, consisting mostly of low-priced pears, peaches, and apricots.

TARIFF

The tariff in British Guiana on canned fruits is \$3 per 100 pounds general tariff and \$1.50 per 100 pounds British preferential tariff, with a surtax charge of 30 per cent applicable to both classes, plus 3 per cent bill of entry fee.

METHOD OF DISTRIBUTION

Sales of canned fruits and vegetables are usually made through commission agents direct to the large retailers. The commission charged is usually from three to five per cent, and the terms of trade 30 days' draft against acceptance of documents.

ADVERTISING

Some of the packers make an allowance to their agents for advertising purposes. In the British West Indies markets purchases are usually made by telephone or through servants, consequently the most effective mode of advertising is through the local daily press. Advertising costs vary, but some idea of the cost may be gained from the fact that in Trinidad the leading local paper charges \$4 per column inch per month of daily insertions.

TRADE OF JAMAICA IN 1937

F. W. FRASER, CANADIAN TRADE COMMISSIONER

III. Exports

Exports of domestic produce from Jamaica in 1937 totalled £4,816,872 in f.o.b. value as compared with £3,697,608 in 1936 and £3,691,494 in 1935. The large increase, amounting to £1,119,264, in the 1937 total over that for 1936 was largely due to the record total export of 26,955,489 stems of bananas during the former year, their value (£2,656,833) then representing 55.3 per cent of the total domestic export trade. Banana shipments in 1936 aggregated 18,762,794 stems worth £1,911,605. Other articles that contributed to the 1937 excess were sugar, rum, cocoa, coconuts, hides, honey, pimento, logwood, and unspecified minor products; but coffee, oranges, grapefruit, and ginger declined. Nevertheless, Jamaica's domestic exports were of higher value in 1937 than in any previous year except 1919 and 1920, when they totalled respectively £5,536,828 and £7,022,195.

The distribution of the colony's domestic exports during the past three years is indicated below:—

Destination	1935	Per Cent*	1936	Per Cent*	1937	Per Cent*
United Kingdom	£2,070,366	56.2	£2,000,077	54.3	£2,678,672	55.8
Canada	1,033,778	28.1	1,093,408	29.7	1,188,105	24.8
Other British Empire countries..	45,613	1.3	63,303	1.7	56,748	1.2
United States	327,849	8.9	264,919	7.2	231,164	4.8
Other foreign countries	202,967	5.5	261,859	7.1	647,603	13.4
Parcels post all countries†	10,921	....	14,042	....	14,580	....
Total Domestic	£3,691,494	100.0	£3,697,608	100.0	£4,816,872	100.0

* In computing percentages, exports by parcels post are not taken into account.

† Unclassified as to countries of destination.

Chief among "other foreign countries" in the above table were Holland and Germany, to which Jamaica shipped in 1937 goods valued at £375,081 (7·8 per cent of the total export trade) and £134,268 (2·8 per cent) respectively. Annatto, bananas, and pimento to Holland and bananas, logwood, pimento, and rum to Germany were the chief items.

PRINCIPAL EXPORT PRODUCTS

BANANAS

As formerly, bananas were the most valuable item of Jamaica's export trade in 1937, shipments reaching the record total of 26,995,489 stems worth £2,656,883 f.o.b., or 55·3 per cent of the aggregate value of that trade. Exports to the chief markets in that year were as follows:—

	Stems	£
United Kingdom.. . . .	20,085,548	1,968,927
Holland.. . . .	3,769,463	360,128
Canada.. . . .	2,619,541	288,457
Germany.. . . .	417,363	33,107
United States.. . . .	63,574	6,264
Total.. . . .	26,955,489	2,656,883

RAW SUGAR

Raw sugar was next in importance, accounting for 18 per cent of the value of the domestic exports in 1937, when shipments were as follows:—

	Long Tons	£
Canada.. . . .	62,845	562,378
United Kingdom.. . . .	32,896	301,787
Bahamas.. . . .	28	338
Other countries.. . . .	7	76
Total.. . . .	95,776	864,579

Total exports in 1936 were 77,809 tons (£632,451), and in 1935 they amounted to 68,939 tons (£558,464). Canada has been the largest buyer for several years past. Following the agreements made at the International Sugar Conference held in London in the summer of 1937, the Jamaican Government enacted legislation to restrict the island's output in accordance with the quota allotted. The 1937-38 sugar crop yielded about 119,000 tons.

RUM

Rum was third, representing 5·5 per cent of the total export trade. Shipments in 1937 totalled 903,812 gallons valued at £266,051, of which the United Kingdom took 587,915 gallons (£123,994); the United States, 59,369 gallons (£57,306); Germany, 153,721 gallons (£49,195); Canada, 38,326 gallons (£16,646); the Bahamas, 47,913 (£11,124); New Zealand, 4,992 gallons (£2,208); and France, 2,312 gallons (£671). Production and selling of rum have been state controlled for some years past, and prices have consequently improved.

PIMENTO

Pimento was fourth (3·1 per cent) and exports totalled 5,823,589 pounds valued at £147,181 as compared with 5,888,425 pounds (£140,858) in 1936. The market is largely speculative, London, Havre, and Hamburg being the chief buying centres. Shipments were made to thirty-two different countries during the year under review.

COFFEE

Fifth in importance was raw coffee, of which shipments were 7,575,015 pounds valued at £146,019, or 3 per cent of the island's total export trade.

Canada was by far the largest buyer, taking 7,216,879 pounds (£136,166); the United Kingdom was next with 271,642 pounds (£8,038), followed by the Bahamas with 34,645 pounds (£733) and the Cayman Islands with 20,456 pounds (£346). Other buyers were Barbados, New Zealand, the United States, and Sweden. Total exports in 1936 were 10,396,688 pounds (£160,980), a percentage of 4·3.

OTHER PRODUCTS

Coconuts were sixth (2 per cent), exports totalling 34,052,640 nuts valued at £95,233, of which the United States purchased 21,146,550 nuts (£60,667); Canada, 10,331,350 (£27,168); and the United Kingdom, 2,521,100 (£7,164).

Logwood extract was seventh (1·6 per cent), total exports having been 23,620 cwts. valued at £77,362, of which the United Kingdom took 22,173 cwts. (£72,081); Belgium, 633 cwts. (£2,486); and the United States, 434 cwts. (£1,595).

Raw cocoa was eighth in importance, representing 1·6 per cent of the total export trade. Shipments totalled during the year under review 4,563,890 pounds valued at £77,101, of which Canada took 4,394,080 pounds (£74,476); Italy, 52,600 pounds (£953); Germany, 44,335 pounds (£437); Palestine, 38,800 pounds (£622); and the United Kingdom, 31,900 pounds (£580).

Sweet and bitter oranges were ninth (1·6 per cent); total exports were 238,955 crates valued at £77,025. Most of these exports were of sweet oranges, of which the total was 215,450 crates (£70,149), Canada taking 120,053 crates (£36,552); the United Kingdom, 58,152 crates (£19,714); New Zealand, 28,832 crates (£10,580); and Bermuda, 8,230 crates (£3,201). Exports of bitter oranges totalled 23,505 crates (£6,876): United Kingdom, 19,338 crates (£5,901); and Canada, 4,167 crates (£975). In 1936 the total for sweet oranges was 257,482 crates valued at £96,377, and of the bitter variety 89,246 crates (£23,856). In that year the English market was short of this fruit on account of the civil war in Spain—a situation which has apparently been eased. Small quantities of tangerines and “ugli fruit” (a species of orange) were also shipped, likewise moderate quantities of limes, of which the total was 15,378 crates (£8,715): United States, 5,986 (£5,890); Canada, 4,545 (£1,487); United Kingdom, 4,787 (£1,317). Lime cultivation is being developed.

Ginger was tenth (1·5 per cent); total exports were 2,894,772 pounds (£70,002), of which the United Kingdom took 1,448,113 pounds (£34,130); the United States, 938,422 pounds (£21,243); Canada, 296,600 pounds (£6,825); Australia, 146,455 pounds (£4,074); and Germany, 92,283 pounds (£2,194).

Logwood was eleventh (1·1 per cent); total exports were 22,059 long tons (£53,783), of which France took 15,981 tons (£40,287); the United States, 4,361 tons (£10,161); Germany, 1,687 tons (£3,270); and the United Kingdom, 30 tons (£65).

Grapefruit was twelfth (0·9 per cent); in the year under review shipments totalled 12,847,140 in number (£42,313), of which the United Kingdom purchased 9,901,470 (£33,361); Canada, 2,291,300 (£6,837); New Zealand, 440,000 (£1,320); Bermuda, 211,170 (£776); and the Bahamas, 3,200 (£19).

Cigars were thirteenth (0·4 per cent); total shipments were 37,904 pounds valued at £20,918, of which Panama bought 17,348 pounds (£5,692); the United Kingdom, 8,415 pounds (£7,787); Bermuda, 3,635 pounds (£1,689); Trinidad, 1,877 pounds (£1,374); Costa Rica, 1,441 pounds (£628); and Newfoundland, 1,313 pounds (£906).

OTHER EXPORTS

Besides the thirteen items detailed above, which together represent 95·6 per cent of the total value of Jamaica's exports in 1937, there were shipments during that year to various countries of annatto, hides, honey, lime juice, essential oils,

several kinds of woods, and a number of other articles. These minor exports represented a considerable aggregate value.

EXPORTS TO CANADA BY PERCENTAGES

Canada took the following percentages of Jamaica's principal exports in 1937, which are listed in order of importance:—

	Computed as to Quantity	Computed as to Value		Computed as to Quantity	Computed as to Value
Bananas.. . . .	9.7	10.9	Raw cocoa.. . . .	96.3	96.7
Raw Sugar.. . . .	65.3	65.0	Oranges.. . . .	52.0	48.8
Rum.. . . .	4.2	6.4	Ginger.. . . .	9.2	9.8
Pimento.. . . .	3.9	3.7	Grapefruit.. . . .	18.0	16.3
Coffee.. . . .	95.3	93.2	Cigars.. . . .	0.6	0.9
Coconuts.. . . .	30.1	28.4			

RE-EXPORTS

In 1937 the total value of re-exports from Jamaica, not being domestic produce, was £177,409, of which shipments to the United Kingdom were valued at £73,093; United States, £35,068; Trinidad, £16,945; San Domingo, £10,728; Canada, £8,643; Panama, £8,418; British Honduras, £5,936; Cayman Islands, £5,454; Bahamas, £5,143; and Germany, £1,494. Included in these re-exports were bullion and specie and parcels post totalling £32,013 (United Kingdom, £29,239; United States, £2,053); but not so included, or included in the domestic exports, were ships' stores totalling £38,605, of which £8,848 represented domestic produce. The value of goods entered for transshipment totalled £324,450 and these likewise were separately classified in the customs report. In 1936 the value of re-exports totalled £123,673; ships' stores, £57,059; and goods for transshipment, £356,702.

SHIPPING

In 1937 the total number of ships entered at Jamaican ports was 1,510 with a net tonnage of 4,614,300; the number cleared was 1,513 of 4,652,412 net tonnage. These are the highest figures so far recorded and more than double those for 1925.

MARKET FOR CANNED FRUITS AND VEGETABLES IN NEW ZEALAND

W. F. BULL, CANADIAN TRADE COMMISSIONER

(One New Zealand pound equals approximately \$4 Canadian. All prices quoted are for dozen lots and include an agent's commission of 5 per cent)

Auckland, August 8, 1938.—As a result of higher wages and shorter working hours throughout New Zealand, the cost of almost all fresh fruits and vegetables consumed in this country has increased. This has led in turn to a greater demand for local and imported canned and dried fruit, canned vegetables, soups and similar products. The local canning industry operated at full capacity during the last season, and all products met with a ready sale. If suitable supplies of fruit and vegetables could be obtained at reasonable prices, this industry would get a much larger share of the total domestic business.

COMPETITION

Australia continues to be the largest overseas source of supply and producers in that country have a definite advantage over Canadian producers. The most important factor operating against imports from Canada is the reversal of

seasons. The heaviest consumption of canned foodstuffs in New Zealand is during the winter months of June, July, and August, when Canadian exporters are in short supply. Canadian prices are made in July, August and September, but local buyers hesitate to place forward orders until they have Australian prices. By the time these Australian prices are available in December and January, most of the Canadian production has been contracted for. The second factor in favour of Australia is the relatively short distance from the main consuming centres of New Zealand, and the frequent direct service to all the main ports and most of the outports of that country. Canadian canned goods must pay an ocean freight rate of \$20 per measurement ton of 40 cubic feet against the equivalent of \$7.65 on the same basis from the Australian ports of Melbourne and Sydney. In spite of these difficulties, Canadian producers made very good progress last year and several new items have been introduced into New Zealand. One very well-known shipper with factories in the United States and Canada supplies this market from the United Kingdom, and accounts for the bulk of the imports from this source.

CANNED FRUITS

Total imports of canned fruits in 1937 amounted to 757,415 dozen valued at £189,582, as compared with 461,488 dozen valued at £113,712. For the first five months of 1938 imports were valued at \$67,315. Pork and beans, asparagus, canned soup and tomato products are not listed separately in the import statistics, but are grouped under the general heading of "provisions." Detailed statistics covering imports of canned fruits have not yet been issued, but the following figures for 1935 and 1936 indicate the volume of business and chief sources of supply for those years:—

Imports of Canned Fruits

Country of Origin		1935		1936	
		Doz.	£	Doz.	£
Canned Apricots—					
Total		45,493	19,111	46,454	18,260
Canada		420	99	150	48
Australia		44,095	18,790	46,154	18,224
United States		978	222	150	36
Canned Peaches—					
Total		68,272	29,093	83,234	31,413
Canada		2,425	660	2,711	681
Australia		63,776	28,004	78,266	29,989
United States		2,071	429	2,221	729
Canned Pears—					
Total		2,079	849	6,733	2,574
Canada		566	200	960	236
Australia		1,273	605	5,353	2,185
United States		240	44	420	153
Canned Pineapple—					
Total		316,600	48,655	295,984	50,124
Malaya		310,759	46,164	286,671	46,140
Canada		210	68	90	28
Australia		1,973	885	5,689	2,644
Fiji		2,866	1,096	1,905	510
United States		476	276	839	432
Hawaii		316	166	790	370
Other Canned Fruits—					
Total		18,942	6,737	29,083	11,342
United Kingdom		58	116	28	31
Palestine		126	59	110	54
South Africa		....	....	40	29
British West Indies		60	20	....	....
Canada		2,250	569	4,053	970
Australia		13,501	5,320	20,959	9,171
Japan		2,030	281	2,721	410
United States		917	372	1,129	657

Imports of Canned Fruits—Concluded

Country of Origin	1935		1936	
Jams, Jellies and Marmalade—	Lbs.	£	Lbs.	£
Total	113,787	3,987	145,107	5,169
United Kingdom	75,653	2,831	104,138	3,383
Palestine	2,234	79	156	8
South Africa	960	30	.....	.....
Canada	3,954	247	34,196	1,540
Australia	29,124	719	4,559	131
United States.. . . .	816	44	1,688	96
Preserves—				
Total	186,867	9,231	184,303	8,726
United Kingdom	133,065	7,244	110,459	6,327
Hongkong	630	25	2,293	52
Australia	23,584	813	38,455	1,353
France	9,899	530	8,724	477
China	17,910	491	23,964	474
United States.. . . .	1,448	101	408	43

SOURCES OF SUPPLY

Australian packers continued during the last twelve months to get the bulk of the canned apricot business and the total imports increased. Prices ruling for Australian apricots at the end of July were: Standard 2½'s, f.o.b. Australian ports, 8s. 0½d. (\$1.61 Canadian); landed in New Zealand, freight and duty paid, 11s. 8d. (\$2.33). Seconds 2½'s, f.o.b. 7s. 9d. (\$1.49); landed, 11s. 3d. (\$2.25). Standard 1's cost 5s. 7½d. (\$1.13) f.o.b. and 8s. (\$1.60) landed. Due to the prevalence of dry rot in local fruit last year, local canners were obliged to bring in Australian fruit to fill their orders. There were no South African apricots offered this year and last year's imports were sent forward from London to relieve stocks held in that market.

Peaches are a much more important item than apricots or pears, and imports showed another marked increase last year. Australian peaches control the market and are considered a better quality than local peaches. Canadian peaches sell at a premium and imports are increasing, particularly in the 8-ounce size. Australian prices for the 1937-38 crop are as follows: Standard 2½'s, 7s. 10½d. (\$1.57) f.o.b. and 11s. 7d. (\$2.32) landed. Seconds cost approximately 9 cents less and standard 1's 5s. 4½d. (\$1.27) f.o.b. and 7s. 7½d. (\$1.53) landed.

Canned pears have never been an important import item in New Zealand, as fresh and cold storage pears are available for most of the year at reasonable prices. Pears retail at a slightly higher price than peaches and apricots, and fruit from the chief source of supply—Australia—is quoted at 8s. 3d. (\$1.65) f.o.b. for 2½'s, and 12s. (\$2.40) landed.

The statistical heading "other canned fruits" covers such products as fruit salad, loganberries, cherries and strawberries. These imports registered an important increase from all countries. As in the case of other canned fruits, Australia is the chief source of supply. Fruit salad is a popular dessert at social functions in New Zealand, and a large quantity is imported in No. 10 tins for this purpose.

The importation of canned pineapple more than doubles the importations of all other canned fruits, and New Zealand has one of the highest per capita consumptions. Malaya has in the past supplied 95 per cent of the total quantity imported, but in future Fijian pineapple will obtain an increasing share of the business. The new pineapple industry established by the Colonial Sugar Refining Co. in Fiji is making very good progress and Fijian canned pineapple is considered to be definitely superior to Malayan.

In addition to these canned fruits, imports of dried fruit in 1936 reached substantial proportions. Values were as follows: apricots, £52,710; peaches, £14,531; and prunes £34,076.

JAMS, JELLIES AND MARMALADE

Jams, jellies, marmalade and preserves come mostly from the United Kingdom, and all the well known brands are available in New Zealand. Canadian canned marmalade and jam has never been popular, but fair progress has recently been made with marmalade, jam and jelly in jars. The local industry supplies the bulk of the requirements, using New Zealand grown fruit and such products as Canadian SO₂ strawberries, Italian cherries in brine, and Tasmanian fruit pulp, which is imported in large quantities in 6-pound tins at the following f.o.b. prices per tin:

[illegible]

The duty on fruit pulp from the Empire is 1½d. per pound and it costs about 11d. to land a 6-pound tin of Tasmanian pulp. The average New Zealander takes both morning and afternoon tea, at 10.30 a.m. and 4 o'clock, and large quantities of jam and marmalade are consumed at these meals.

CANNED VEGETABLES

With the exception of canned peas, all canned vegetables imported into New Zealand are classed for customs purposes under the general heading of "provisions" and as a result detailed statistics are not available. As mentioned earlier in this report, fresh vegetables have advanced in price and the consumption of canned vegetables has substantially increased.

GREEN PEAS

Canada at one time was the largest supplier of green peas and imports in 1930 amounted to 254,967 pounds in volume. Due to more favourable tariff treatment, Australia largely replaced Canada as a source of supply for green peas. However, on March 1, 1938, the tariff was increased against Australian peas, and it is expected that Canadian peas will again become the largest sellers in this market. Australian packers booked up the market for delivery up to December, 1938, at the following prices: No. 2 cans standard peas 7s. 9d. (\$1.55) landed, freight and duty paid; No. 1 cans standard peas (10 ounce) 4s. 7½d. (\$0.93) landed. Local canners are able to sell their entire production and would sell more if they could obtain larger supplies of fresh peas. The New Zealand green pea is superior to the Australian pack but does not equal the quality of the Canadian product. This market calls for the smaller size cans and No. 1 or picnic size outsells the standard No. 2 can by 4 to 1.

PORK AND BEANS

The sale of Canadian pork and beans in New Zealand has rapidly increased in the last few years and now reaches a very substantial volume. According to Canadian statistics this trade has grown from 476 pounds in 1933 to 821,070 pounds in 1937. There is a large local production and one important distributor estimates the total annual consumption at more than 100,000 cases of 48 1-pound tins. One local packer has recently put out a new brand of beans at the

equivalent of 65 cents per dozen 1-pound tins, which is a lower price than the landed quotation on Canadian beans. However, local canning facilities are limited and Canadian beans will continue to come in even at higher prices.

TOMATO PRODUCTS

The importation of tomato products is increasing and Canadian shippers are obtaining a larger share of the local market. The local pack is firmer than the Canadian and more suitable for frying or eating whole. Stewed tomatoes are not a popular dish in this country. Local tomatoes are sold wholesale at 8s. 3 $\frac{1}{4}$ d. (\$1.66) per dozen 2 $\frac{1}{2}$ (28-ounce) cans. The consumption of tomato juice is slowly increasing and Canadian prices have recently been more attractive than Californian prices. Local producers introduced a tomato juice several years ago which was dark and bitter and which has seriously affected sales of this product in subsequent years. On May 8 this year the New Zealand customs authorities classified tomato products as fruit products, which automatically increased the duty by 5 per cent.

CORN AND OTHER ITEMS

Canned corn, asparagus, stringless beans, spinach, carrots, beets, sauerkraut, and spaghetti from Canada are sold in New Zealand. Corn is a very popular item and consumption is increasing. There is no local production and Canadian exporters at the moment are offering more attractive prices than exporters in the United States. Bleached Californian asparagus has been the standard on this market for many years but recently a fair quantity of green Canadian asparagus has been sold. Californian prices have been lowered lately, which will seriously restrict Canadian sales. Stringless beans from Canada—a new line in this market—have been well received and should develop into a fair volume. Canadian spaghetti is selling better, but prospects of large business are not good as a local packer using Canadian dry spaghetti is putting up a very good product. Spinach, carrots, beets and sauerkraut are very slow lines in New Zealand.

SOUPS

The importation of canned soups is increasing, and in 1936 was valued at £19,596. Most of the soup imported originates in the United Kingdom, but in recent months Canadian varieties have obtained a larger share of the business. At one time tomato soup accounted for more than 95 per cent of the total sales, but the trend recently has been to assorted soups. One of the largest local canners has recently put out a second label soup to sell at the equivalent of 82 $\frac{1}{2}$ cents per dozen 11-ounce cans. First grade local soup costs 93 cents per dozen and Canadian exporters are meeting these prices.

CUSTOMS DUTY

Fruits preserved in juice or syrup are subject to a British preferential rate of duty of 25 per cent ad valorem, and a general rate of 50 per cent. Under the Australian agreement, fruit from that country (with the exception of pineapples and prunes, which pay 25 per cent) is dutiable at 35 per cent ad valorem. Fruit from Canada, South Africa, and foreign countries is subject to a surtax of nine-fortieths of the duty, making an effective rate of 33.687 per cent.

Fresh, dried and preserved vegetables are dutiable at 20 per cent ad valorem and 45 per cent under the British preferential and general tariffs, respectively. Preserved peas in tins are dutiable at 20 per cent British preferential, 25 per cent or 2d. per pound, whichever rate returns the higher duty, from Australia; 20 per cent or 1 $\frac{1}{4}$ d. per pound from Canada; and 45 per cent or 2 $\frac{1}{4}$ d. per pound from foreign countries. In addition, Canadian, South African and foreign vegetables

and peas are subject to a surtax of nine-fortieths of the duty, making an effective rate of 26·95 per cent on Canadian vegetables. Soups, spaghetti and alimentary pastes are dutiable at 10 per cent British preferential, and 45 per cent general tariff. Canadian and foreign soups pay the surtax of nine-fortieths of the duty.

FUTURE PROSPECTS

The local canning industry is firmly established and in the last year put up products to the value of more than \$1,500,000. Further expansion is limited by the amount of suitable fruit available for canning. Australian shippers have a definite advantage over Canadian shippers, but the sale of Canadian canned fruits should continue to increase. There should be an expanding market for Canadian canned vegetables, such as tomato juice, pork and beans, green peas, green stringless beans and canned soups. Most of the leading Canadian canners are actively represented in New Zealand and shipments are regularly made from both the East and West Coast ports.

The Auckland office has inquiries from several reliable brokers for Canadian canned fruits, vegetables, soups, and tomato juice, and will be pleased to hear from all interested exporters.

TRADE OF NYASALAND IN 1937

J. L. MUTTER, CANADIAN TRADE COMMISSIONER

Johannesburg, July 30, 1938.—A material fall in the market price of cotton, the result of over-production in the United States, coupled with a short crop, due to climatic conditions, in Nyasaland, seriously affected local producers. Tobacco growers, although they harvested better yields than for some time past, received lower prices for their products. Despite such adverse factors, trade of the protectorate during 1937 continued to expand.

Import trade increased in value by £71,213 (11 per cent) over the 1936 figure, but this cannot be regarded as an accurate indication of the extent of the general trade improvement, since, in anticipation of more remunerative cotton and tobacco harvests, merchants indented on a rather heavier scale than usual. Moreover, Japanese goods were imported in quantities larger than necessary for immediate requirements in order that full advantage could be taken of a drop in prices and because of the uncertainty of replenishment in the future, due to conditions in the Far East.

The greater prosperity of the European community is reflected in increased importation of motor vehicles—257 as compared with 166 in 1936. Bicycles are the principal means of transport for the native population and also an outward sign of the owner's prosperity. During 1937, 4,936 of these, valued at £14,569, were imported, being an increase over the previous year's figure of 1,703 or 52·6 per cent.

TRADE STATISTICS

The combined value of domestic trade imports and exports only (excluding government purchases and specie) for 1937 and 1936 were £1,619,038 and £1,451,984 respectively. The figures for the two years were as under:—

	1937	1936	Increase	Inc. Per Cent
Imports	£717,113	£645,900	£71,213	11.0
Exports	901,925	806,084	95,841	11.8
	<u>£1,619,038</u>	<u>£1,451,984</u>		

IMPORTS

According to commodity classes, imports for the two years were as follows:—

	1937	1936	Increase
	£	£	£
Food, drink and tobacco..	49,415	45,686	3,729
Raw materials..	14,666	13,309	1,357
Manufactured articles..	615,726	552,476	63,250
Miscellaneous..	37,306	34,429	2,877
	<u>717,113</u>	<u>645,900</u>	<u>71,213</u>

Noteworthy among manufactured articles imported which showed increases as compared with 1936 were: agricultural implements and machinery, tea and tobacco, shooks, cotton piece-goods, blankets, shirts and singlets, petrol, oil and grease, soap, vehicles and parts. Decreased importations were recorded for machinery, linen and jute manufactures, railway rolling stock, arms and ammunition.

ORIGIN OF IMPORTS

Imports from the United Kingdom during 1937, the principal supplier of Nyasaland's requirements, were valued at £292,821 as compared with £291,564 in the previous year, but her percentage share of the trade dropped to 40·8 from 45·2. Other parts of the British Empire supplied goods to the value of £51,267 (7·2 per cent) as compared with £46,462 (7·2 per cent) in 1936. Foreign countries supplied goods valued at £373,025 (52 per cent) as compared with £307,874 (47·6 per cent) in 1936. The principal foreign supplier was Japan (mainly cotton manufactures) with 29 per cent of total imports in 1937 as against 25·1 per cent in the previous year.

EXPORTS

The following table shows the quantities and values of domestic exports from Nyasaland for the past two years:—

	1937		1936	
	Lbs.	£	Lbs.	£
Food, drink and tobacco.. . .	24,670,383	753,592	22,434,240	649,916
Raw materials..	8,899,429	130,397	10,283,133	143,737
Miscellaneous..	489,022	3,069	805,990	2,974
	<u>34,058,834</u>	<u>887,058</u>	<u>33,523,363</u>	<u>796,627</u>

The principal exports of Nyasaland are tobacco, tea, and cotton respectively, and the following table indicates the extent to which they exceed all other export items:—

Year	Lbs.	Percentage of Total Exports
Tobacco		
1936..	13,391,541	39.94
1937..	14,536,933	42.68
Tea		
1936..	7,706,088	22.98
1937..	8,816,788	25.88
Cotton		
1936..	5,320,279	15.87
1937..	4,628,821	13.59

DESTINATION OF EXPORTS

Domestic products of Nyasaland shipped to the United Kingdom were valued at £821,156, equal to 92·5 per cent of the total value, as compared with £736,080 or 92·4 per cent in 1936. Produce consigned to other parts of the British Commonwealth (mainly Sierra Leone, Southern Rhodesia, and India) was valued at £23,126 (2·6 per cent) as against £16,025 (2 per cent) in the

previous year. Foreign countries (principally Belgium, Poland, Portugal, Holland, and the Netherlands East Indies) took Nyasaland produce valued at £42,776 (4·9 per cent) during 1937 as compared with £44,532 (5·6 per cent) in 1936.

CANADA'S SHARE

Merchandise of Canadian origin imported into Nyasaland during 1937 was valued at £7,908. The principal items going to make up this total, together with the values for each, were as follows: wheat and wheat flour, 468 cwt. (£457); motor cars, 16 (£2,392); motor trucks, 24 (£3,059); motor car parts and accessories, 135 cwt. (£962); tires and tubes, 3,947 pounds (£345); miscellaneous, £693.

TRADE OF HONGKONG, JANUARY TO JUNE

V. E. DUCLOS, CANADIAN TRADE COMMISSIONER

(All values are in Hongkong dollars; HK\$1 equals \$0.30 $\frac{1}{4}$ Canadian)

Hongkong, July 28, 1938.—Statistics just published covering the trade of Hongkong for the first six months of 1938 show that the combined declared values of imports and exports of merchandise totalled \$612,100,000 as compared with \$505,300,000 in the first half of 1937, an increase of 21 per cent.

Imports were valued at \$342,200,000 as against \$286,400,000 for the corresponding period of 1937, an increase of 19·5 per cent; exports totalled \$267,900,000 as against \$218,900,000, an increase of 23·3 per cent.

IMPORTS AND EXPORTS BY COUNTRIES

Increases in values were recorded during the period under review in the shares of twenty-four of the thirty-nine countries contributing to the import trade of Hongkong; in the case of exports, increases were credited to seventeen of the forty consuming countries.

The following table gives the total values of imports and exports by principal countries for the first six months of 1938 and 1937:—

	Imports		Exports	
	January-June 1938	1937	January-June 1938	1937
	Thousands of Hongkong Dollars			
United Kingdom.. . . .	26,699	20,198	9,505	10,229
Australia.. . . .	8,794	6,261	1,347	1,109
Burma.. . . .	4,997	2,130	1,543	1,769
Canada.. . . .	4,074	3,315	1,220	1,421
India.. . . .	7,161	2,981	2,365	2,207
British Malaya.. . . .	4,184	5,024	18,218	16,917
British North Borneo.. . . .	1,190	1,100	727	749
Belgium.. . . .	3,056	5,498	789	399
North China.. . . .	52,482	37,549	37,356	16,650
Middle China.. . . .	6,271	4,326	17,657	14,389
South China.. . . .	60,924	46,556	85,682	61,264
France.. . . .	1,980	1,389	4,332	2,283
Indo-China.. . . .	20,570	23,717	9,758	10,883
Germany.. . . .	23,206	16,117	7,510	2,871
Holland.. . . .	3,046	2,878	3,397	1,324
Italy.. . . .	736	1,120	207	42
Japan.. . . .	11,012	38,180	1,682	13,161
Kwong Chow Wan.. . . .	3,400	2,869	4,459	4,950
Macao.. . . .	5,347	4,073	11,848	7,521
Netherlands East Indies.. . . .	21,707	24,442	6,396	6,448
Philippines.. . . .	1,225	1,595	4,652	6,476
Siam.. . . .	27,678	13,823	7,323	7,678
South America.. . . .	1,000	1,104	322	1,605
United States.. . . .	33,860	14,909	24,457	17,870

Of the twelve principal countries participating in the import trade of Hongkong, Japan, Netherlands India, Indo-China, British Malaya, and Bel-

gium showed decreases, the following being the shares credited to each of the chief countries of supply for the January-June period of 1938, comparative percentages for the corresponding period of 1937 being shown within parentheses: China, 35 (30·9); Japan, 3·2 (13·3); Netherlands India, 6·3 (8·5); United Kingdom, 7·8 (7·1); United States, 9·9 (5·2); Indo-China, 6 (8·3); Siam, 8·1 (4·8); Germany, 6·8 (5·6); British Malaya, 1·2 (1·8); India, 2·1 (1); Australia, 2·6 (2·2); Belgium, 0·9 (1·9); Canada, 1·5 (1·2).

The following are the percentage shares of the export trade of Hongkong credited to each of the chief purchasing countries during the first half of 1938, comparative percentages for the corresponding period of 1937 being shown within parentheses: China, 52·1 (42·2); British Malaya, 6·8 (7·7); Indo-China, 3·6 (5); Japan, 0·6 (6); Macao, 4·4 (3·4); Siam, 2·7 (3·5); United States, 9·1 (8·2); Kwong Chow Wan, 1·7 (2·3); Netherlands India, 2·4 (2·9); Philippines, 1·7 (3); India, 0·9 (1).

IMPORTS AND EXPORTS BY MAIN GROUPS

Increases in imports occurred under thirteen of the twenty-three main group headings, with oils and fats, foodstuffs, and vehicles recording the principal gains; fifteen of the twenty-three export group headings showed increases. The total value of each of the twenty-three main groups of imports and exports for the first six months of 1938 and 1937 are shown in the following tables:—

	Imports		Exports	
	January-June 1938	1937	January-June 1938	1937
	Thousands of Hongkong Dollars			
Animals, live.. . . .	4,761	4,392	40	67
Building materials.. . . .	4,586	4,177	2,751	2,237
Chemicals and drugs.. . . .	4,983	4,939	4,526	2,477
Chinese medicines.. . . .	10,253	11,458	7,727	8,311
Dyeing materials.. . . .	10,376	3,425	5,857	2,405
Foodstuffs.. . . .	88,107	80,230	68,547	62,376
Fuels.. . . .	9,843	7,088	684	304
Hardware.. . . .	3,425	3,589	1,637	2,759
Liquors.. . . .	2,753	2,062	769	582
Machinery and engines.. . . .	6,766	3,849	2,407	2,134
Manures.. . . .	5,792	6,945	7,447	7,465
Metals.. . . .	28,011	28,765	21,959	21,697
Minerals and ores.. . . .	4,127	3,430	7,803	4,861
Nuts and seeds.. . . .	9,828	3,476	7,362	2,207
Oils and fats.. . . .	43,399	25,365	40,746	24,106
Paints.. . . .	1,229	1,267	905	761
Paper and paperware.. . . .	7,275	7,881	6,228	4,977
Piece goods.. . . .	41,517	37,678	30,241	21,286
Railway materials.. . . .	126	283	239	555
Tobacco.. . . .	5,211	2,604	5,632	1,997
Vehicles.. . . .	8,665	2,646	3,265	3,407
Wearing apparel.. . . .	2,263	1,964	9,806	8,852
Sundries.. . . .	38,910	38,936	33,296	33,136

BUSINESS CONDITIONS

The improvement in the trade of Hongkong indicated in the foregoing statistical summary covering the January-June period of 1938 is to a great extent attributable to the abnormal conditions which have prevailed in China. Hongkong has become increasingly important as a distributing point since the commencement of political disturbances in North China in August, 1937.

While the foregoing figures might be regarded as indicating that the trade of the colony has flourished during the period under review, it should be borne in mind that a great proportion of imports into and exports from Hongkong have resulted from the adoption of the colony as an entrepôt for Chinese Government supplies to all parts of China.

The depreciation of the Chinese dollar in terms of foreign currencies and the exchange restrictions imposed by the Chinese Government have militated against

the inland demand for imported products, although the advantages accruing from this low currency value are reflected in the revival of the demand for China exports from overseas consumers. However, general business within the colony has reached a high level, due to the stimulus given to retail trade by the considerable increase in population resulting from the influx of refugees from all parts of China.

IMPORTS FROM CANADA

Imports of Canadian origin during the first six months of 1938 showed an increase in value of approximately 23 per cent as compared with the first half of 1937, the respective figures being \$4,074,000 and \$3,315,000. Canada supplied 1.5 per cent of total imports in the period under review as against 1.2 per cent for the first six months of the preceding year.

The principal items imported from Canada, together with their values, were as follows:—

Wheat flour, \$913,166; manures (sulphate of ammonia), \$433,242; pig lead, \$217,955; motor cars, \$203,654; rubber tires (motor outer), \$189,343; motor lorries (chassis only), \$98,786; evaporated milk, \$83,524; metal, n.o.p., \$77,333; softwood, \$76,627; potatoes, \$66,789; brass sheets, \$63,532; cattle, \$53,867; fodder, \$53,612; cuttle fish, \$50,173; American pine, \$46,339; fish and fishery products, \$39,298; sulphur, \$32,000; timber, n.o.p., \$27,645; printing paper, \$24,418; fresh fish, all kinds, \$20,113; meat and fish (tinned and potted), \$19,500; wearing apparel, \$15,109; shooks and staves for cask making, \$14,167; lead, n.o.p., \$13,902; fruits of all kinds, \$12,562; spirits, \$12,461; agar agar, \$12,302; upper leather, \$11,600; electrical accessories, \$11,389; miscellaneous foodstuffs, \$11,241; sole leather, \$11,000; motor tires (motor inner), \$10,977; paints, n.o.p., \$10,469; motor accessories, \$10,216; vermicelli, \$9,484; iron and steel, n.o.p., \$9,090; motor lorries, \$9,000; vegetables (tinned and bottled), \$7,732; motor cars (chassis only), \$6,000; chemicals and drugs, \$5,011; hosiery, other than silk, \$4,855; building material, \$4,457; electrical wire and cables, \$4,198; oatmeal, \$4,014; felt and felt sheathings, \$3,661; hardware, \$3,467; cinematograph films (used), \$3,240; barley, \$3,147; vegetable oil, \$3,110; flours, n.o.p., \$2,788; leather boots and shoes, \$2,537; hardwood, \$2,258; machinery, \$2,185; electrical and generating machinery and power station equipment, \$2,160; belting, machine, \$2,158; biscuits, \$2,038.

BRITISH NORTH BORNEO IN 1937

B. C. BUTLER, CANADIAN TRADE COMMISSIONER

(All values are in Straits currency; S\$1 equals 57 cents Canadian approximately at current exchange)

Singapore, August 11, 1938.—The territory of British North Borneo is of minor importance to Canadian exporters, since nearly all requirements are drawn from stocks in Singapore and Hongkong.

The prosperous conditions which prevailed in 1936 continued through 1937. The natives and the Chinese merchants alike benefited by comparatively high prices of copra and rubber at the beginning of the year, although these prices declined somewhat towards the close. Import and export values were higher, and increased revenues were recorded by the land, forest, customs and excise, and railways departments. The excess of revenue over expenditure was \$1,758,534, the highest recorded for the past five years. Notes in circulation increased by \$467,713, from \$1,356,872 to \$1,824,586, at December 31, 1937, the largest sum in circulation being \$1,846,826 at the end of November.

FOREIGN TRADE

A favourable balance of \$7,938,275 was shown in the year's trading, the total value of imports being \$6,828,261 and of exports, \$14,766,536. These figures compare with the 1936 totals of \$4,194,709, \$9,476,119, and \$5,281,410 respectively, and represent a gain of 33 per cent in import values and nearly 59 per cent in export values. They include transshipment trade but exclude movements of treasure.

The principal import commodity groups were: rice, flour, grain, and paddy, totalling \$1,230,385 (\$958,435 in 1936); textiles and apparel, \$771,814 (\$518,144); provisions, \$724,256 (\$574,773); tobacco, cigarettes, and cigars, \$462,172 (\$393,169); ironware, \$400,172 (\$279,438); sundries, \$385,174 (\$255,728).

Estate rubber to the value of \$8,786,771 (\$4,250,571 in 1936) headed the list of principal exports, followed by timber, \$2,842,189 (\$2,593,480); copra, \$763,217 (\$510,389); and dried and salt fish, \$438,817 (\$380,326).

CHIEF CUSTOMERS

Approximately 41 per cent of the rubber exports went to Singapore for remilling, while small direct shipments were made to Japan, United Kingdom, United States, and Europe. Japan was Borneo's best customer for timber, taking almost 50 per cent in 1937. Most of the copra exports found their way to Singapore, but shipments are also made direct to Japan. Hongkong took most of the dried and salt fish exports. The Japanese-controlled Borneo Fishing Company, operating at Si-Amil Island on the east coast, made direct shipments of canned tuna fish to Japan and extended their market to Europe, Canada, and the United States.

SEED POTATO MARKET IN ARGENTINA AND URUGUAY

J. A. STRONG, CANADIAN TRADE COMMISSIONER

Buenos Aires, September 4, 1938.—Canada supplied approximately half of the 2,000,000 bushels of certified seed sold in Argentina last fall, when there were practically no potatoes either for consumption or planting, and 13,620 crates of the total of 95,024 crates (of 110 pounds net) of certified seed potatoes imported by Uruguay for the crop planted in January-February and the main crop in August.

Due to the serious drought experienced during the growing season and the appearance of a new disease, which combined to reduce average yields from the imported certified seed, it was estimated in April that there would possibly be a demand for a maximum of 250,000 crates this season from Canada. Since then the outlook for Canadian sales this season in the two countries has not materially changed.

ARGENTINA

Despite these unfavourable conditions, Argentina still has a surplus production over and above domestic requirements for table consumption and seed. Prices of table potatoes are low. If weather conditions had been at all favourable, the acreage that was planted would have produced a very large surplus, reducing these prices to a level at which it would have been impossible to interest growers in buying new seed again this year. Therefore, while prices of table potatoes are low now, the outlook is relatively promising as compared with what might have been expected had production reached a volume estimated on the basis of the acreage planted in the last crop.

Potatoes are grown in Argentina, on the one hand, by a few large dealer-growers who plant for their own account when there is a prospect of good prices, and on the other—and they account for the greater part of the acreage—by small tenant growers who depend on the large dealer-growers to finance them, to market their production, and to supply the imported seed they require for planting. The large dealer-growers financed the small growers last fall, and this accounted for the heavy purchases of Canadian certified seed. This was done because there were literally no potatoes available for planting otherwise, and in addition table prices were then high in Argentina.

As previously mentioned, prices of table potatoes are low this year in Argentina. The small growers still owe the dealers for a considerable part of the imported seed supplied them last season. It could scarcely be expected, therefore, that the dealers would extend additional credit for new seed this year. In any case the small growers now have potatoes to plant, and unless they can exchange them on a reasonable basis for new imported seed, they will plant what they have on hand. Unfortunately, Canadian certified seed is being sold in Argentina at very low prices this year as compared with last season, although it is quite possible that at last season's prices sales would have been negligible this year. Nevertheless prices of Canadian seed cannot go down to a level that would bring it within the reach of the small grower this season.

SALES PROSPECTS

Unless table prices should improve unexpectedly during the next month, the demand for Canadian seed will be confined almost entirely to a quantity sufficient to meet the possible requirements of the few large grower-dealers in Argentina. These large growers might be able to buy 200,000 crates, and orders have already been placed for about half of this quantity in Canada. While any substantial increase in Canadian prices might reduce the small remaining potential demand slightly, any further reduction from the present low level at which Canadian seed is being offered would have no effect on local demand. Low prices this year will make it difficult for Canadian growers to get a reasonable price in future years. If the percentage of "rot" from the new disease should increase materially or local table prices should improve unexpectedly for any other reason here, it would better the outlook for sales somewhat as compared with the present position. Competition is entirely between Canadian shippers themselves. It is possible for orders to be placed for shipment up to late December. Under no circumstances whatever should consignment shipments be considered. It would certainly mean trouble and loss to the shipper, and there would be in addition the definite possibility of the potatoes being refused entry on arrival to Argentina on account of the effect on prices to Argentine growers.

The Argentine potato grower is favourably disposed toward Canadian certified seed, both as to quality and type, and will buy it when the returns from his own crop will justify the necessary investment. Unfortunately the greater part of the final cost of Canadian seed to the grower is accounted for by local dealers' profits and transportation expenses, so that even a substantial reduction in the return to the grower in Canada has comparatively little effect on the cost to the small grower in Argentina. The other important factor in the situation is that, given good or even fair quality seed, the Argentine grower can obtain big yields, and as the other items in the cost of production are low as compared with Canadian standards, the normal level of table potato prices is correspondingly low in Argentina. It is consequently difficult for any degree of stability to be achieved, and the volume of seed sales will fluctuate widely from year to year.

URUGUAY

Uruguay is a comparatively small market, and the factors affecting the demand for imported certified seed are much the same as for Argentina. Uruguay produces two crops of potatoes annually and has always renewed her seed every year. In former years her seed requirements were obtained from Argentina, and while table prices are low there this year due to over-production, there should be a demand for a limited quantity of certified seed from Canada.

PACKING AND QUOTATIONS

The Argentine regulations require that imported certified seed, in order to be admitted free of import duty, must be packed in ventilated wooden crates, with a partition in the centre, of 50 kilos, or approximately 110 pounds, net. Shipments must be accompanied by the government certification certificate of the country of origin in addition to the regular shipping documents. Prices should be quoted c.i.f. Buenos Aires for Argentina and c.i.f. Montevideo for Uruguay, with payment in Canada exclusively against an irrevocable letter of credit before shipment. Consignment shipments or payment against documents on arrival should not be considered under any circumstances. The present level of quotations will probably only permit of sales being made on the basis of shipment by a chartered steamer with full cargo direct to Buenos Aires from Canada.

CANADIAN CERTIFIED SEED POTATOES IN CHILE, PERU, AND ECUADOR

S. G. MACDONALD, ACTING TRADE COMMISSIONER

Lima, Peru, August 22, 1938.—Initial shipments of Canadian certified seed potatoes to South American republics along the west coast were made in 1937 and early in 1938. The importation of these seed potatoes from Canada into Chile, Peru, and Ecuador is still in a preliminary stage, and as yet no final reports are forthcoming, which would indicate that imports will not be on a commercial basis for another year or perhaps longer.

CHILE

Approximately 14 tons of Canadian certified seed potatoes of the varieties Green Mountain, Katahdin, Irish Cobbler, Bliss Triumph, President, Golden, and Royal Kidney were imported in the autumn of 1937 from Nova Scotia. The seed arrived in good condition a couple of months after the usual planting date for the potato district, which lies about 650 miles south of Santiago, the capital. The Government of Chile, through its agricultural officials, have shown keen interest in Canadian certified seed, and arranged for its planting in December last at an experimental station recently acquired for agronomy experiments at Los Angeles, located about half-way between Santiago and the principal potato-producing area. The location and soil were only fair for potatoes and the area was not a proper potato-growing district, but the real purpose of the plantings was to determine if there was any evidence of development of late blight before admitting them to the real potato-producing zone.

The results obtained were good, the bulk of the individual potatoes in this crop ranging between 4 and 16 ounces in weight. Harvesting took place in May of this year, and there was little evidence of disease except in some of the Royal Kidney variety, which were discarded on account of suspected mosaic. In so far as the 1938 planting is concerned, it is hoped that about 60 tons may be planted if the proposal of the Department of Agriculture for establishing a special potato experimental station in the regular potato-growing district is approved by the Government. This matter is still under consideration.

Among plans of the Agricultural Department is one for the distribution of seed by the Government among several of the leading producers for multiplication under certification.

PERU

In April, 1938, about two crates each of Irish Cobbler, Green Mountain, Bliss Triumph, and Katahdin seed potatoes from Prince Edward Island were

imported by the Director of the Experimental Farm of the Peruvian Department of Agriculture. These potatoes arrived in excellent condition and were planted in experimental plots at La Molina, the Peruvian Government Experimental Farm, near Lima.

Under present regulations, until the Peruvian Department of Agriculture is thoroughly satisfied as to the advantages to be obtained from Canadian certified seed potatoes, no private importers will be allowed to make purchases. It is reported that the plantings are showing satisfactory results and that there is every possibility of future experiments being carried on next year.

ECUADOR

In 1937 two crates each of Canadian Irish Cobbler, Green Mountain, Bliss Triumph, and Katahdin certified seed potatoes were imported by the Ecuadorean Department of Agriculture from Canada. These were distributed in small lots by Government officials to the principal potato growers located in the mountain valleys in the vicinity of Quito, the capital. The potatoes arrived in good condition. They were harvested early this year with excellent results, some of the growers reporting yields as high as 30 to 1, a ratio considered extraordinary in Ecuador. The best Ecuadorean seed requires from six to six and a half months to mature, and the best yield reported was 15 to 1, while the Canadian seed has produced larger yields in ninety days. It is estimated that the average yield for the republic would not amount to 10 to 1 from local seed.

For the present season the Government was unable to finance importations but was agreeable to the assembling of orders and the expedition of shipments into the country. The response to this situation on the part of the local growers has been rather disappointing, as they have preferred to plant potatoes produced from the Canadian seed planted last year to ascertain if the yielding qualities would be maintained in the second crop. The results will probably be known in September.

FOREIGN TRADE OF GUATEMALA, JANUARY TO JUNE

R. T. YOUNG, CANADIAN TRADE COMMISSIONER

(One quetzal equals \$1 United States currency)

Mexico City, August 30, 1938.—Guatemala's foreign trade for the first six months of 1938 was valued at Q19,236,257 as compared with Q19,303,409 for the same period in the preceding year, an increase of Q67,152. In the respective periods imports were Q8,912,038 and Q8,249,191, a gain of approximately 8 per cent or of Q662,847 in value; exports for the six-month period of 1938 were Q10,324,219 as compared with Q11,064,218 in the same period of 1937, a decrease of almost 7 per cent. The value of exports for the 1938 period exceeded that of imports by Q1,412,181 as against an export excess of Q2,815,027 in the same period of 1937. The first half of the year is normally the period of the heaviest exports in Guatemala. While this has not been so this year, there is an optimistic feeling among traders that the spread will continue to narrow as the year progresses.

IMPORTS

The United States was the principal supplier of the republic's imports. The total value of purchases from that country in the period under review was slightly less than in the first six months of 1937, amounting to Q4,077,994 or 45.8 per cent of the total imports as compared with Q3,830,663 or 46.4 per cent in 1937. The next principal source of supply was Germany, purchases from that country being valued at Q2,991,937 or 33.6 per cent of the total value of

imports as compared with Q2,524,954 or 30·6 per cent for the corresponding months of 1937. The United Kingdom supplied merchandise to the value of Q609,656 during the 1938 period as against Q651,071 during the corresponding six months of 1937; Belgium, Q147,424 as against Q62,648; Italy, Q140,071 as against Q122,470; Czechoslovakia, Q70,452 as against Q189,331; other countries, Q874,504 as against Q868,054.

BUSINESS ACTIVITY

Throughout the first six months of this year retail sales are reported to have been substantially below those of a year ago; but flour sales appear to have held up well, equalling those of the preceding year. Stocks of iron and steel and hardware items have been gradually liquidated, and import buying should begin in the near future. On the other hand, textile stocks have been far in excess of demand, those of German origin predominating. Paper stocks have also been excessive with the demand small; but there has been a noticeable improvement in the demand for leathers, and office appliance lines have continued to move. Motor vehicles, radios, and electric appliances have been stagnant, with German competition keen in all lines.

EXPORTS

The drop in the value of exports, as already stated—almost 7 per cent below that of the same period in 1937—was due principally to the lower prices prevailing for coffee during the current year. The United States continued to be the leading purchaser of Guatemalan products. In the first half of the current year 64 per cent of the total exports of the country went to the United States as compared to 59·3 per cent in the 1937 period. There was a slight decline in the exports of Guatemalan products to Germany, Sweden, the Netherlands, and other countries.

Canada is not mentioned specifically as a source of supply or as a market for Guatemalan products, and there would appear to be very few opportunities of which Canadian exporters can take advantage in the Guatemalan market at present.

IMPORT TRADE OF NORWAY

Items of Interest to Canada

RICHARD GREW, CANADIAN TRADE COMMISSIONER

(The average value of the Norwegian krone in 1937 and 1936 was approximately \$0.25 Canadian)

Oslo, August 24, 1938.—The import trade of Norway during the calendar year 1937 was valued at 1,292,717,000 kroner, an increase of 365,735,000 kroner over the previous calendar year. Imports originating in Canada increased to 38,897,000 kroner as compared with 37,385,000 kroner in 1936. The detailed Norwegian import statistics have recently been published, and these specify the various commodities imported and show countries of origin or production. Of the items included in these statistics, the following have been selected as being of interest to Canadian exporters. The figures in parentheses indicate the 1936 imports:—

FOODSTUFFS

Wheat.—The total imports of wheat during 1937 increased considerably as compared with the previous year, amounting to 175,758 tons (139,904), of which 73,021 tons (101,786) came from Canada, 52,570 tons (9,891) from Argentina, 15,972 tons (16,414) from Soviet Russia, 14,234 tons (nil) from Roumania, 8,844 tons (8,123) from the United States, and 6,483 tons (nil) from Czechoslovakia.

Wheat Flour.—Imports of wheat flour, on the other hand, decreased to 32,077 tons (39,023). Canada was the principal supplier with 13,989 tons (20,000), while 4,969 tons (5,065) originated in the United States, 4,748 tons (4,621) in France, 4,541 tons (6,954) in Great Britain and Northern Ireland.

Wheaten Groats.—These imports totalled 1,394 tons (1,570), being divided between France with 575 tons (692), Hungary with 446 tons (113), Sweden with 226 tons (646), the United States with 140 tons (3). No imports originated in Canada, which supplied 28 tons in 1936.

Rye.—These imports rose to 134,093 tons (122,874), of which Soviet Russia supplied about half with 62,091 tons (68,414). Argentina supplied 36,518 tons (13,379); Poland and Danzig, 16,024 tons (14,292); the United States, 15,500 tons (nil); and Roumania, 3,520 (nil). No imports are shown from Canada, while in 1936 Canada supplied 12,998 tons.

Cakes and Biscuits.—These were imported to a total weight of 12.1 tons (10.2), the bulk of this trade being divided between Great Britain and Northern Ireland, the United States, and the Netherlands; Canada is credited with 68 kilograms (38).

Peas, Beans, and Lentils.—These imports totalled 6,061 tons (5,780), of which Poland and Danzig shipped 3,177 tons (3,574); the Netherlands, 1,469 tons (1,254); Sweden, 605 tons (318); and Austria, 455 tons (25).

Fresh Apples and Pears.—These imports increased to 2,863 tons (2,275), the bulk of which came from the United States, which supplied 1,706 tons (1,414), while 987 tons (743) originated in Australia, 72 tons (41) in South Africa, 34 tons (47) in Argentina, 10 tons (nil) in Palestine, 8 tons (4) in Great Britain and Northern Ireland, and 7 tons (nil) in Canada.

Prunes.—These were imported to a total weight of 2,108 tons (1,880), practically all of which came from the United States, which shipped 2,062 tons (1,821).

Raisins.—These imports increased to 2,053 tons (1,862), the bulk of which also came from the United States, which contributed 1,795 tons (1,064), while Turkey supplied 128 tons (600); Spain, 89 tons (147); Greece, 25 tons (20); Germany, 5 tons (8); Great Britain and Northern Ireland, 3 tons (4); and Canada, 1 ton (3).

Dried Fruits.—These imports increased to 921 tons (747), practically all from the United States, which supplied 898 tons (715). Sweden is credited with 12 tons (8) and Canada with 4 tons (nil).

Fresh Tomatoes.—These were imported to a total weight of 241 tons (252), most of which came from the Canary Islands, which shipped 187 tons (188), while 43 tons (41) originated in the Netherlands and 7 tons (half a ton) in Canada.

Casings.—The imports of casings of all kinds during 1937 totalled 335 tons (322), more than half of which, 197 tons (194), are credited to the United States. China is credited with 32 tons (26), Sweden with 28 tons (33), Argentina with 18 tons (16), the Netherlands with 17 tons (4), Denmark with 16 tons (14), Great Britain and Northern Ireland with 11 tons (8), and Canada with 2 tons (21).

Meats.—Unsmoked pork (not including ham) was imported to a total weight of 244 tons (528), the principal supplier being Argentina, which shipped 107 tons (198), while 32 tons (131) originated in Esthonia, 24 tons (30) in Brazil, 21 tons (48) in the United States, 20 tons (46) in Lithuania, 17 tons (36) in Denmark, and 5 tons (nil) in Canada. The imports of other unsmoked meat, other than in whole carcasses, increased to 585 tons (468), the two largest suppliers being Argentina and the Faroe Islands, which shipped 171 tons (123) and 150 tons (26) respectively. Iceland supplied 83 tons (48), Sweden, 49 tons (22); Great Britain and Northern Ireland, 47 tons (9); the United States, 41 tons (50) and Denmark, 21 tons (5). No imports are credited to Canada in 1937, although in the previous year Canada shipped 42 tons.

Fresh and Live Fish (including Frozen Fish).—Imports aggregated 3,339 tons (3,478), the bulk of this trade being divided between Denmark and Sweden, which are credited with 1,974 tons (2,332) and 1,216 tons (1,025) respectively. Great Britain and Northern Ireland supplied 82 tons (61); Spitzbergen, 39 tons (nil); and Canada, 15 tons (37).

Salted Salmon.—These imports increased to 336 tons (296), practically all coming from the United States and Canada, which are credited with 179 tons (157) and 116 tons (88) respectively, while 39 tons (49) came from Japan.

Other Salted or Dried Fish.—Imports increased to 1,300 tons (1,119), most of this trade being divided between Great Britain and Northern Ireland, which shipped 648 tons (595), and Iceland, which supplied 584 tons (281). Other shippers were Finland with 39 tons (92), the Faroe Islands with 18 tons (109), and the Netherlands with 8 tons (nil).

Cheese.—Imports increased to 195 tons (123), of which 114 tons (63) are credited to Denmark, 25 tons (17) to the Netherlands, 15 tons (16) to Switzerland, 15 tons (2) to Sweden, 11 tons (11) to France, 8 tons (7) to Great Britain and Northern Ireland, 3 tons (2) to Italy, and 1 ton (1.3) to Canada.

Dry Tobacco Leaves.—These imports totalled 2,896 tons (2,821), the bulk of which, namely 2,170 tons (2,115), came from the United States, while 218 tons (141) originated in Bulgaria, 146 tons (217) in Greece, and 130 tons (190) in Turkey.

Smoking Tobacco.—These imports increased to 67 tons (62), of which the Netherlands are credited with 38 tons (37), Great Britain and Northern Ireland with 22 tons (17), and the United States with 6 tons (6).

Spirituuous Liquors.—The imports of spirituous liquors in bottles increased to 338,212 litres (300,913), over half of which—220,008 litres (201,091)—came from Great Britain and Northern Ireland, while France supplied 101,730 litres (86,447); the Netherlands, 7,820 litres (5,927); and Canada, 1,220 litres (1,068). The import of spirituous liquor in casks also increased, their weight being given as 995 tons (934), France supplying 488 tons (440); Great Britain and Northern Ireland, 379 tons (384); Spain, 48 tons (38); the Netherlands, 34 tons (35); Dutch India, 22 tons (20); and Jamaica, 21 tons (16).

TEXTILES

Rope-yarn, untarred, was imported to a total weight of 780 tons (404), the largest contributors being Belgium and Denmark, which are credited with 182 tons (128) and 192 tons (112) respectively. The Netherlands shipped 130 tons (14); Mexico, 86 tons (44); Sweden, 83 tons (14); Austria, 44 tons (25); Italy, 30 tons (1); Hungary, 17 tons (7); and the United States, 12 tons (20).

Real Silk Stockings and Socks.—An important increase took place in these imports, which totalled 2,270 kilograms as compared with 928 kilograms in the previous year. The bulk of this trade was divided between Germany, which supplied 719 kilograms (279); the United States, which shipped 562 kilograms (250); Czechoslovakia, credited with 453 kilograms (75); and Canada, which shipped 403 kilograms (225).

Artificial Silk Stockings and Socks.—These imports also increased amounting to 79,730 kilograms (57,213), most of which came from Germany and Czechoslovakia, which are credited with 47,168 kilograms (34,815) and 25,514 kilograms (20,368) respectively. Italy supplied 3,435 kilograms (nil) and the United States 1,047 kilograms (765).

Real Silk Fabrics.—These were imported to a total weight of 10,057 kilograms as compared with 7,650 kilograms during the previous year, the most important suppliers being France with 2,831 kilograms (2,452), Germany with 1,717 kilograms (1,614), Japan with 1,494 kilograms (1,013), Great Britain and Northern Ireland with 1,022 kilograms (669), Switzerland with 835 kilograms (508), China with 614 kilograms (531), and Italy with 451 kilograms (146).

Artificial Silk Stockinet and Net Material.—Of these imports, which totalled 1,827 kilograms (1,718), the majority came from Germany, which supplied 1,097 kilograms (1,166); while the United States is credited with 265 kilograms (12), France with 115 kilograms (54), and Great Britain and Northern Ireland with 111 kilograms (255).

Ready-made Garments of Artificial Silk Stockinet.—These imports showed a remarkable increase, totalling 27,790 kilograms as compared with 18,009 kilograms in the previous year. The largest contributor was Germany, which supplied 16,461 kilograms (9,744), while 5,711 kilograms (3,631) came from Czechoslovakia, 1,831 kilograms (1,759) from the United States, and 1,546 kilograms (1,438) from Great Britain and Northern Ireland.

Other Artificial Silk Goods.—These amounted to a total weight of 551,097 kilograms (487,555), Germany supplying 141,709 kilograms (148,051); Japan, 95,757 kilograms (83,806); Great Britain and Northern Ireland, 86,567 kilograms (93,764); Italy, 69,730 kilograms (5,738); Czechoslovakia, 62,733 kilograms (56,540); Switzerland, 32,903 kilograms (22,654); France, 27,704 kilograms (45,507); and the United States, 2,128 kilograms (1,049).

Silk Clothing of All Kinds.—These imports increased to 34,605 kilograms (29,443), the bulk of which came from Germany, which supplied 23,269 kilograms (20,399), while Austria is credited with 2,659 kilograms (2,327), the United States with 1,972 kilograms (1,499), Denmark with 1,787 kilograms (1,918), Great Britain with 1,217 kilograms (925), and France with 1,114 kilograms (694).

Woollen Felt and Press Cloth.—Imports of these for technical use (largely papermakers' felts) had a total weight of 211,529 kilograms (174,217), of which Sweden supplied 79,032 kilograms (74,175); Germany, 57,859 kilograms (42,063); Great Britain and Northern Ireland, 49,499 kilograms (35,627).

Woollen Clothing.—These imports increased to 78,755 kilograms (59,764), of which about half came from Germany, which shipped 36,345 kilograms (30,057), while Austria is credited with 9,282 kilograms (8,189), Hungary with 7,619 kilograms (6,905), British India (including Burma) with 5,544 kilograms (nil), Czechoslovakia with 4,542 kilograms (945), Denmark with 4,189 kilograms (5,027), Great Britain and Northern Ireland with 4,048 kilograms (4,394), the Netherlands with 3,293 kilograms (780), Sweden with 2,034 kilograms (1,926), and the United States with 491 kilograms (631).

Cotton Materials.—The imports of cotton materials, weighing at least 400 grams to the square metre, increased to 398,728 kilograms (280,540), the chief sources of supply being Belgium and Germany with 151,970 kilograms (106,159) and 79,921 kilograms (66,643) respectively. Great Britain and Northern Ireland are credited with 30,947 kilograms (27,690), Italy with 29,917 kilograms (6,918), Czechoslovakia with 27,369 kilograms (14,097), Japan with 25,637 kilograms (13,504), and the United States with 4,242 kilograms (3,814).

Cotton and Linen Clothing.—These imports increased to 142,462 kilograms (117,716), the largest suppliers being Great Britain and Northern Ireland with 33,166 kilograms (31,326), Germany with 30,247 kilograms (29,962), Japan with 19,424 kilograms (14,193), the United States with 13,218 kilograms (12,150), Czechoslovakia with 12,207 kilograms (6,850), Sweden with 11,326 kilograms (8,924), and Canada with nil (204).

LEATHER AND LEATHER PRODUCTS

Sole Leather.—The imports of clean-cut sole leather increased to 127 tons (122), of which 45 tons (17) came from Great Britain and Northern Ireland, 28 tons (26) from Belgium, 22 tons (24) from Denmark, 8 tons (9) from France, 6 tons (10) from Sweden, and 1 ton (nil) from the United States.

Upper Leather.—The imports of upper leather of all kinds increased to 254 tons (220), Great Britain and Northern Ireland being credited with 77 tons (64), Sweden with 40 tons (36), Germany with 37 tons (56), the United States with 32 tons (22), Hungary with 13 tons (9), Czechoslovakia with 12 tons (7), the Netherlands with 12 tons (5), France with 10 tons (4), and Canada with 2 tons (2).

Leather Footwear.—This was imported to an increased total of 127 tons (114), the chief suppliers being Czechoslovakia and Germany, which shipped 42 tons (38) and 35 tons (30) respectively, while Switzerland is credited with 19 tons (13), Sweden with 10 tons (8), Finland with 8 tons (5), Great Britain and Northern Ireland with 6 tons (6), and the United States with 5 tons (3).

Furriers' Wares.—These imports increased to 3,473 kilograms as compared with only 1,491 kilograms during the previous year, the most important suppliers being Hungary and Germany, which are credited with 1,173 kilograms (49) and 915 kilograms (540) respectively. Denmark supplied 358 kilograms (367); Czechoslovakia, 299 kilograms (83); Austria, 168 kilograms (34); France, 162 kilograms (78); Sweden, 102 kilograms (53); and Canada, 36 kilograms (nil).

OILS AND RUBBER PRODUCTS

Herring Oil.—The imports of herring oil increased considerably, aggregating 20,003 tons as compared with 13,504 tons in the previous year. Most of this oil came from Japan and Iceland, which are credited with 9,984 tons (5,364) and 9,331 tons (7,635) respectively; while 506 tons came from Portugal (339), 130 tons (nil) from the United States, and 50 tons (84) from Great Britain and Northern Ireland. No imports are credited to Canada, which shipped 2 tons in 1936.

Medicinal Cod Liver Oil.—These imports totalled 309 tons (314), the largest supplier being Iceland, which shipped 227 tons (15), while 67 tons (75) are credited to Great Britain and Northern Ireland, 7 tons (51) to the Faroe Islands, 4 tons (24) to Finland, and 3 tons (nil) to the United States.

Miscellaneous Fish Oils.—The imports of these oils were almost doubled in 1937, aggregating 5,088 tons as compared with 2,756 tons in the previous year. The bulk of these imports was divided between Japan and Germany, which are credited with 2,553 tons (2,203) and 1,621 tons (nil) respectively. Other suppliers were Great Britain and Northern Ireland, which shipped 493 tons (444); the Faroe Islands, 193 tons (10); and Iceland, 107 tons (30).

Mineral Oils.—These were imported to a total value of 13,650 tons (12,626), over half of which, 7,214 tons (6,426), came from the United States, while 2,672 tons (2,906) came from Germany, 2,092 tons (1,778) from Great Britain and Northern Ireland, and 878 tons (860) from Denmark.

Cellulose Lacquers.—These imports increased from 98 tons in 1936 to 137 tons in 1937. The chief exporters were the United States, which supplied 54 tons (29); Sweden, 37 tons (25); Germany, 28 tons (33); and Great Britain and Northern Ireland, 14 tons (7).

Automobile Tires.—Norway imported automobile tires to a total weight of 582 tons in 1937 (524), the bulk of this trade being held by the United States, which shipped 298 tons (291), while 100 tons (74) came from Great Britain and Northern Ireland, 66 tons (47) from Belgium, 66 tons (47) from Canada, 20 tons (21) from Germany, 14 tons (27) from France, 6 tons (1) from Czechoslovakia, and 5 tons (6) from Italy.

Inner Tubes for Automobiles.—These are not specified in the Norwegian trade returns, but they are probably included under the item "Miscellaneous Rubber Goods."

Rubber Soles and Heels.—These imports increased to 135 tons (101), of which the United States shipped 63 tons (39); Great Britain and Northern Ireland, 25 tons (28); Belgium, 25 tons (20); Sweden, 9 tons (8); Finland, 7 tons (3); and Germany, 4 tons (2).

Galoshes and Rubber Footwear.—These imports also increased, totalling 281 tons (229), the chief supplying countries being Sweden, which is credited with 79 tons (64), Czechoslovakia with 72 tons (48), Germany with 40 tons (19), Canada with 30 tons (15), Japan with 24 tons (55), Great Britain and Northern Ireland with 14 tons (7), Finland with 11 tons (10), and the United States with 10 tons (9).

Miscellaneous Rubber Goods.—All other manufactures of rubber are grouped together in the Norwegian statistics, these imports increasing to 1,099 tons in 1937 as compared with 876 tons in the previous year. The largest suppliers were the United States and Great Britain and Northern Ireland, shipping 408 tons (307) and 329 tons (292) respectively, while 102 tons (75) came from Germany, 75 tons (41) from Austria, 34 tons (34) from the Netherlands, 31 tons (18) from Belgium, 31 tons (26) from Japan, and 12 tons (9) from Canada.

WOOD AND PAPER PRODUCTS

Pulpwood.—Imports increased enormously in 1937, totalling 572,834 cubic metres as compared with only 78,763 cubic metres in 1936. Most of these imports came from Finland and Latvia, which supplied 365,321 cubic metres (18,211) and 141,819 cubic metres (nil) respectively, while Sweden is credited with 51,957 cubic metres (32,855), Canada with 6,959 cubic metres (nil), and Soviet Russia with 6,778 cubic metres (27,697).

Panelling and Insulation Board.—This is one of the most important groups of paper products mentioned in the Norwegian import statistics. The total imports amounted to 2,402 tons as compared with 1,709 tons during the previous year. The principal suppliers were Finland and Sweden, which are credited with 1,415 tons (600) and 792 tons (723) respectively, while 188 tons (325) came from the United States, 2 tons (nil) from Denmark, 2 tons (12) from Germany, and 2 tons (49) from Canada.

Wallpaper.—This was imported to an aggregate weight of 333 tons (296), the bulk of this trade being divided between Germany and Sweden, which are credited with 152 tons (143) and 135 tons (103) respectively. Other suppliers were Great Britain and Northern Ireland with 21 tons (29), Finland with 13 tons (7), Belgium with 6 tons (4), Canada with 2 tons (nil), and Switzerland with 2 tons (2).

Printed Forms, Labels, and Games.—These are grouped together in the Norwegian import statistics, totalling 147 tons in 1937 as compared with 135 tons in the previous year. Germany supplied 73 tons (55); Sweden, 35 tons (45); Great Britain and Northern Ireland, 17 tons (15); Denmark, 6 tons (7); France, 5 tons (6); and the United States, 3 tons (3). No mention is made of Canada, which shipped a little under half a ton in 1936.

MINERALS AND METALS AND MANUFACTURES THEREOF

Coal.—Imports totalled 2,649,044 tons (2,291,446), over half of which, 1,661,400 tons (1,351,293), came from Great Britain and Northern Ireland, while Poland Danzig shipped 388,671 tons (416,943); Germany, 316,160 tons (243,301); and Spitzbergen, 271,041 tons (273,015).

Graphite and Carbon Electrodes.—These imports increased to 5,732 tons (4,782), the most important supplier being Canada, which shipped 2,416 tons (2,373), while 1,327 tons (1,177) came from Germany, 977 tons (886) from Great Britain and Northern Ireland, 476 tons (278) from the United States, and 362 tons (nil) from France.

Nickel Copper Matte.—Imports increased to 11,979 tons (9,224), all of which came from Canada, as was also the case in the previous year.

Raw Copper, Brass, and Nickel Silver.—These imports decreased to 812 tons (1,255), the bulk of which came from the United States, which shipped 434 tons (990), while Sweden supplied 114 tons (7); Belgium, 111 tons (153); Great Britain and Northern Ireland, 68 (47); Canada, 51 tons (26); and Denmark, 23 tons (nil).

Raw Lead.—Imports increased to 4,194 tons (3,361), most of which came, as usual, from Mexico, which is credited with 3,358 tons (2,952), while Canada is credited with 356 tons (nil), the United States with 152 tons (nil), Belgium with 107 tons (131), Denmark with 65 tons (27), Great Britain and Northern Ireland with 62 tons (109), and Peru with 41 tons (61).

Bolts and Nuts of Iron and Steel.—These were imported to an increased total of 1,318 tons (850), and the supplying countries were Germany with 436 tons (307), the Netherlands with 344 tons (200), Sweden with 314 tons (159), Great Britain and Northern Ireland with 105 tons (88), the United States with 36 tons (28), Czechoslovakia with 25 tons (33), Poland and Danzig with 23 tons (nil), Belgium with 20 tons (19), and Denmark with 9 tons (9). No imports are shown as coming from Canada, which in 1936 supplied 3 tons.

Copper and Bronze Wire.—These imports decreased from 4,015 tons in 1936 to 3,333 tons in 1937. Practically all of these imports came from the United States, which shipped 2,915 tons (3,540), while 373 tons (462) are credited to Sweden, 26 tons (nil) to Canada, and 11 tons (nil) to Germany.

Saws and Saw Blades.—The total import trade in saws and saw blades was valued at 772,475 kroner (529,768), over half of these imports coming from Sweden, which is credited with 457,854 kroner (301,733), the United States shipping for 126,180 kroner (77,234) and Germany for 88,975 kroner (76,523).

Miscellaneous Tools and Implements.—These were imported to an increased value of 5,835,901 kroner (4,921,395). The bulk of this trade was divided between Germany, Sweden, and the United States, which were credited with 2,016,845 kroner (1,876,512), 1,531,513 kroner (1,245,827), and 1,083,442 kroner (831,697) respectively.

SHIPS, VEHICLES, MACHINERY, ETC.

Ships.—Norway imported 27 (27) second-hand steamships to a total weight of 44,401 (25,915) registered tons, 6 of which came from Great Britain and Northern Ireland, 4 from Denmark, 4 from the United States, 3 from France, 2 from Finland, 2 from Greece, 2 from Panama, and 1 each from Italy, Latvia, the Netherlands, and the Canary Islands.

Passenger Automobiles.—The number of new passenger automobiles imported increased to 6,877 (5,124) to an aggregate value of 18,078,000 kroner (13,808,000), of which 2,561 (1,107) came from Germany, 1,697 (1,608) from Denmark, 1,607 (1,464) from the United States, 472 (337) from France, 261 (136) from Italy, and 243 (444) from Great Britain and Northern Ireland. The number of second-hand passenger automobiles imported increased to 1,640 (1,092) valued at 2,219,000 kroner (1,511,000). Of these, 915 (840) came from the United States, 652 (204) from Great Britain and Northern Ireland, 31 (9) from Canada, 25 (23) from Germany, and 7 (3) from France.

Freight Automobiles.—The imports of new and second-hand freight automobiles increased to 4,297 units (3,751), having a total value of 12,719,000 kroner (10,445,000). These imports were mostly divided between the United States and Denmark, which are credited with having supplied 2,129 (1,554) and 1,345 (1,516) freight automobiles respectively, while 372 (225) came from Germany, 211 (209) from Sweden, and 176 (196) from Great Britain and Northern Ireland.

Automobile and Aeroplane Parts.—These are grouped together in the Norwegian import statistics, and these imports showed an enormous increase in 1937, being valued at 6,593,918 kroner as compared with 3,908,304 kroner in 1936. The bulk of these imports came from the United States, which shipped for 4,583,615 kroner (2,500,837), while Germany shipped for 886,110 kroner (504,746), Great Britain and Northern Ireland for 731,826 kroner (533,831), Sweden for 162,491 kroner (141,424), Denmark for 89,258 kroner (68,759), and France for 73,708 kroner (73,170). No imports are shown as coming from Canada in 1937, although Canada shipped for 5,667 kroner in 1936.

Accumulators and Parts.—These were imported to a total weight of 695 tons (559), of which 215 tons (174) are credited to the United States, 185 tons (187) to Germany, 152 tons (79) to Great Britain and Northern Ireland, 122 tons (101) to Sweden, 10 tons (12) to Canada, and 9 tons (5) to Denmark.

Gasoline Motors.—The value of these imports increased to 804,464 kroner (576,261), the United States and Sweden sharing the bulk of this trade, being credited with 331,436 kroner (183,390) and 315,171 kroner (257,002) respectively. Other suppliers were France with 90,615 kroner (57,927), Great Britain and Northern Ireland with 31,182 kroner (19,526), Denmark with 14,500 kroner (25,407), and Germany with 13,688 kroner (15,035). No mention is made of Canada, which shipped for 8,107 kroner in 1936.

Conducting Wires.—These were imported to an aggregate weight of 391 tons (317), most of which, 245 tons (216), came from Germany, while Belgium supplied 84 tons (55); Sweden, 32 tons (30); the United States, 13 tons (8); Switzerland, 5 tons (1); Great Britain and Northern Ireland, 4 tons (4); Denmark, 4 tons (2); and Canada, 2 tons (1).

Vacuum Cleaners and Parts.—The value of these imports increased to 816,228 kroner (559,290), the bulk of these imports coming from Germany, Sweden, and Denmark, which shipped for 304,988 kroner (172,487), 302,803 kroner (208,510), and 161,100 kroner (153,592) respectively. The Netherlands are credited with 21,405 kroner (9,233), the United States with 16,334 kroner (11,136), and Great Britain and Northern Ireland with 7,299 kroner (4,229).

Adding and Calculating Machines and Parts.—These were imported to an increased value of 1,308,147 kroner (873,149), most of this trade being divided between the United States and Sweden, which are credited with 710,760 kroner (476,449) and 489,711 kroner (319,108) respectively. Germany shipped for 86,835 kroner (46,008) and Switzerland for 18,868 kroner (24,756). No imports are shown as coming from Canada, which shipped for 1,395 kroner in 1936.

Cash Registers and Parts.—These imports increased considerably, being valued at 448,476 kroner (296,600), the United States shipping for 246,994 kroner (149,085), Germany for 160,692 kroner (111,897), Sweden for 30,857 kroner (34,814), and Canada for 8,551 kroner (nil).

Mowing Machines and Parts.—The value of these imports increased to 1,331,185 kroner (\$12,967). Practically all of these mowing machines came from Sweden, which supplied for 1,084,128 kroner (656,211), while France shipped for 121,462 kroner (33,562), Canada for 62,963 kroner (18,586), Germany for 41,914 kroner (47,038), the United States for 9,636 kroner (50,631), and Denmark for 6,936 kroner (nil).

Tractors.—These were imported to an increased value of 1,512,015 kroner (938,766), the most important suppliers being Great Britain and Northern Ireland and the United States, which shipped for 966,352 kroner (586,212) and 467,406 kroner (280,717) respectively. Germany's share of this trade was valued at 37,762 kroner (42,506) and Canada's share at 35,892 kroner (nil).

Machine Belling of All Kinds.—This was imported to a total value of 606,343 kroner (425,196), Great Britain and Northern Ireland being credited with 213,752 kroner (149,262), the United States with 190,733 kroner (113,567), Sweden with 94,133 kroner (77,110), Germany with 60,071 kroner (39,892), Switzerland with 12,388 kroner (5,996), Belgium with 9,417 kroner (15,378), Denmark with 6,973 kroner (3,301), and Canada with 5,238 kroner (3,879).

FISH MEAL MARKET IN THE NETHERLANDS

W. G. STARK, ASSISTANT TRADE COMMISSIONER

[One metric ton equals 2,205 pounds; one kilo equals 2.2 pounds; one long ton equals 2,240 pounds; one florin (fl.) or guilder equals \$0.55 at present rate of exchange]

Rotterdam, August 23, 1938.—Local fish meal importers are chiefly interested at the present time in fresh Icelandic herring meal. What offers there are of both Canadian and United States meals are regarded as more or less speculative and they are also out of line. Japanese exporters appear to have less meal for shipment this year than last, and less attention is being paid by the trade to Asiatic supplies.

Stocks on hand are very small, due mainly to the continued hand-to-mouth buying policy of consumers. New arrivals of Icelandic meal are expected shortly, however, and several hundred tons will likely be held in storage.

IMPORTS

Total fish meal imports into the Netherlands in 1937 showed a gain over both 1935 and 1936 arrivals. The variation in the total amounts entered during the past five years, together with details of imports in 1936 and 1937 are shown in the appended tables:—

	Tons	Fl. 1,000
1933..	21,567	1,918
1934..	26,337	2,118
1935..	11,908	806
1936..	17,988	1,203
1937..	20,564	1,957

Imports of Fish Meal into Holland

	1936		1937	
	M. Tons	Fl. 1,000	M. Tons	Fl. 1,000
Total..	17,988	1,203	20,564	1,957
Germany.. . . . .	....	....	25	2
Belgium..	383	27	686	51
Great Britain..	1,339	99	2,312	242
Norway..	7,322	462	4,236	406
Sweden..	1,166	85	1,069	111
Portugal..	355	21	1,410	108
Iceland..	3,002	209	6,232	614
Japan..	560	43	3,604	339
Canada..	1,085	77	194	18
Argentina..	749	39	486	36
United States..	1,998	138	294	29

In 1937 Iceland became the principal supplier of fish meal to Holland, followed by Norway, Japan, and the United Kingdom. Most recent figures, i.e. statistics of entries for January-July, 1938, inclusive, show additional shipments from Iceland during this period as compared to those in the same months of 1937. Arrivals from Norway and Japan total in each case more than those from Iceland, but in the next three months there will undoubtedly be a change in this position, since the fresh Icelandic supplies are just arriving on this market.

The following table shows imports for the January-July period for 1937 and 1938:—

	Jan.-July 1937		Jan.-July 1938	
	M. Tons	Fl. 1,000	M. Tons	Fl. 1,000
Total..	12,463	1,160	11,288	1,105
Belgium..	431	34	....	....
Great Britain..	1,727	181	304	33
Norway..	3,712	352	3,594	345
Sweden..	602	61	614	67
Portugal..	974	73	733	65
Iceland..	1,412	133	1,976	196
Japan..	2,938	272	2,316	241
Canada..	92	7	612	61
Argentina..	447	34	....	....
United States..	98	10	615	57

Arrivals from Canada during the past three or four years have been rather spasmodic, due more to factors attendant upon production and shipment than to local conditions.

Norwegian exporters, according to the trade, are credited with disposing ahead of around 85 per cent of all their fish meal direct to Germany for the forthcoming season. No current offers of Norwegian meals are reported for this market.

General importation of fish meal has been rendered easier by the abolition of the monopoly tax or duty formerly collected and the discontinuance of import permits then required.

PRICE SITUATION C.I.F. ROTTERDAM

Fresh herring meal from Iceland is being offered freely at around \$54.50 per metric ton. This quotation is an advance over first offers at approximately \$53, as most recent reports suggest that production may be somewhat less than was anticipated, due to bad weather. The season in that country is very short. However, due to better storage facilities provided during the last two years, Iceland is no longer forced to dump her meals on the market over a two- or three-month period but can make shipments during most of the year. This Icelandic fresh herring meal is guaranteed 65 per cent protein, but runs usually higher.

United Kingdom whitefish meal is being offered in very small quantities only, as it is apparently needed for domestic requirements. Prices are approximately \$69 to \$71 per long ton. Netherlands whitefish meal is quoted at a price roughly equivalent to \$66 per long ton. Japanese whitefish meal, which has averaged about \$59 to \$61 for first grade, is not being offered at present.

Japanese sardine meal is being quoted at \$49 per long ton for 60 per cent protein and \$52 for guaranteed 65 per cent.

From the United States, Alaska herring meal of 70 per cent protein has been offered at \$58 per long ton; pilehard and sardine meals of 65 per cent are quoted at around \$56 to \$57 and greyfish meal at \$53. These offers are considered as speculative by the trade, particularly in view of the situation on the west coast due to delay in beginning fishing operations and to the restricted

amount of freight space available for shipments of this product to Continental Europe.

MARKET PROSPECTS

The market is only fair but is comparatively firm. Icelandic meal will likely obtain the premier position. Business in United States and Canadian fish meals could probably be done at around \$55 c.i.f. per long ton. Several Netherlands importers are in touch with the Rotterdam office, and interested Canadian exporters are invited to communicate with the Canadian Trade Commissioner. Offers should be c.i.f. Netherlands ports and preferably accompanied by analyses and samples.

JAPAN'S FOREIGN TRADE, 1937

A. KEITH DOULL, ASSISTANT TRADE COMMISSIONER

(The average value of the yen in 1937 and 1936 was approximately 29 cents Canadian)

Tokyo, August 1, 1938.—Japan's total foreign trade in 1937 was valued at 6,958,595,504 yen as against 5,456,657,041 yen in 1936. Exports were valued at 3,175,418,224 yen as against 2,692,975,564 yen, and imports at 3,783,177,280 yen as against 2,763,681,477 yen. Japan had thus an unfavourable balance of trade during 1937 of 607,759,056 yen as against an excess of imports during 1936 amounting to 70,705,913 yen, an increase of 537,053,143 yen. This unfavourable balance is the largest in Japanese history with the exception of the year 1924, when it amounted to approximately 725,000,000 yen, due to heavy importations made necessary by the disastrous earthquake of September, 1923.

The increase in Japan's 1937 unfavourable balance may be chiefly attributed to the fact that in 1937 there were unusually large importations of ores and metals, hides and skins, rubber, mineral oil, and sheep's wool. It should be borne in mind, however, that there has been a general rise in commodity prices and therefore, while Japan's unfavourable balance has increased greatly, the volume of imports has not increased proportionately.

EXPORTS BY CONTINENTS

Japan's largest volume of exports went to Asiatic countries and was valued at 1,645,914,909 yen as against 1,370,969,898 yen in 1936. Exports to North America were next in importance—659,601,386 yen as against 908,857,061 yen. Exports to European countries were valued at 355,955,190 yen (307,717,821 yen); to African countries, 242,735,589 yen (197,702,527 yen); to South America, 109,519,312 yen (68,760,985 yen). Exports to Oceanic countries were valued at 106,463,001 yen (97,726,710 yen); and to Central America, 54,885,473 yen (41,240,562 yen).

EXPORTS BY PRINCIPAL COUNTRIES

The following list shows the twenty leading purchasers of Japan's products in 1937 and 1936, in order of importance, together with percentage of increases or decreases as compared with 1936:—

Country		1937 Yen		1936 Yen	Inc. or Dec. Per Cent
United States.. . . .	(1)	639,428,452	(1)	594,251,220	+ 7.6
Kwantung Province.. . . .	(2)	395,916,066	(2)	347,164,855	+ 14.0
British India.. . . .	(3)	299,366,759	(3)	259,107,536	+ 15.5
Manchukuo.. . . .	(4)	216,091,876	(5)	150,859,454	+ 43.2
Dutch East Indies.. . . .	(5)	200,050,616	(7)	129,495,167	+ 54.5
China proper.. . . .	(6)	179,250,536	(4)	159,690,539	+ 12.2
Great Britain.. . . .	(7)	167,953,901	(6)	147,309,349	+ 14.0
Australia.. . . .	(8)	72,079,695	(8)	68,763,187	+ 4.8

Exports by Principal Countries—Concluded

Country		1937 Yen		1936 Yen	Inc. or Dec. Per Cent
Straits Settlements.. . . .	(9)	67,432,852	(9)	58,770,017	+ 14.7
Philippine Islands.. . . .	(10)	60,348,148	(11)	51,840,438	+ 16.4
Federation of South Africa.. .	(11)	53,748,792	(14)	41,533,742	+ 29.4
Siam.. . . .	(12)	49,381,577	(13)	43,028,374	+ 14.7
Hongkong.. . . .	(13)	49,150,063	(10)	58,445,464	— 15.9
France.. . . .	(14)	47,207,571	(12)	43,475,073	+ 8.6
Germany.. . . .	(15)	43,260,807	(16)	35,064,683	+ 23.4
Argentina.. . . .	(16)	42,480,614	(19)	22,711,943	+ 87.0
Kenya, Uganda and Tanganyika	(17)	40,122,193	(17)	30,601,922	+ 31.1
Egypt.. . . .	(18)	32,772,484	(15)	40,906,936	— 19.9
Asiatic Russia.. . . .	(19)	23,850,928	(18)	22,992,559	+ 3.7
Iraq.. . . .	(20)	23,644,098	(21)	19,018,973	+ 24.3

Figures in parentheses indicate positions of countries in order of value of goods exported to them.

EXPORTS BY COMMODITIES**THREE PRINCIPAL EXPORTS**

Cotton tissues, which since 1933 have been Japan's largest single export item, continued in 1937 to hold this position. Exports of cotton tissues in 1937 amounted to 2,644,028,907 square yards (573,064,772 yen) as against 2,709,884,578 square yards (483,591,246 yen) in 1936, a decrease in quantity although a large increase in value due to a rise in prices.

Of total exports of cotton tissues, 810,515,968 square yards (148,403,653 yen) were classified as "grey," 648,584,620 square yards (124,652,793 yen) as "bleached," and 1,184,928,319 square yards (300,008,326 yen) as "other."

The largest purchasers of "grey" cotton tissues were Manchukuo (20,839,926 yen), Dutch East Indies (18,633,507 yen), and British India (16,916,158 yen). "Bleached" cotton tissues were exported chiefly to the Dutch East Indies (24,702,561 yen), the United States (17,509,526 yen), British India (13,010,824 yen), and French Morocco (8,376,561 yen).

Cotton tissues classified as "other" were exported chiefly to the Dutch East Indies (42,366,963 yen), British India (33,113,975 yen), Manchukuo (29,973,556 yen), and Argentina (20,723,670 yen).

Raw silk exports were second in importance from a value standpoint and amounted to 473,370 bales (407,117,835 yen) as compared with 503,382 bales (392,808,919 yen) in 1936, a decrease in quantity although an increase in value due to a rise in price. As usual, the United States was Japan's largest raw silk customer taking 378,977 bales (325,225,276 yen) as against 427,629 bales (333,949,199 yen) in 1936, a decrease in both quantity and value. Among other purchasers of raw silk were Great Britain (31,430,003 yen), France (26,110,991 yen), British India (8,459,621 yen), and Australia (8,131,820 yen).

Exports of raw silk to Canada, according to Japanese statistics, amounted to only 736 bales valued at 727,137 yen. These statistics do not take into account the fact that Canada buys nearly all her requirements of Japanese raw silk directly from New York, and they are naturally shown as exports of raw silk to the United States in the Japanese trade returns. (See "Exports to Canada" on page 496.)

Japan's third largest export was artificial silk tissues valued at 154,860,384 yen as against 149,169,597 yen in 1936. The largest purchasers of this product were British India (32,465,720 yen), Australia (16,667,468 yen), Kwantung Province (15,611,523 yen), the Dutch East Indies (11,490,190 yen), Hongkong (7,673,131 yen), and the Federation of South Africa (7,168,362 yen).

EXPORT VALUES EXCEEDING 20,000,000 YEN

The following products were exported to a value exceeding 20,000,000 yen:—

Machinery and parts (109,881,054 yen), chiefly to Kwantung Province, China proper, and Manchukuo; comestibles (86,905,089 yen), chiefly to Great Britain and the United States; silk tissues (72,286,212 yen), chiefly to British India, the United States, and Great Britain; knitted goods (60,712,524 yen), chiefly to the Dutch East Indies, the United States, Great Britain, and the Philippine Islands; cotton yarns (54,905,696 yen), chiefly to British India, the Dutch East Indies, and Manchukuo; iron manufactures (54,116,339 yen), chiefly to Kwantung Province, the Dutch East Indies, British India, and Manchukuo; pottery (53,971,480 yen), chiefly to the United States, British India, and the Dutch East Indies; woollen tissues (50,082,143 yen), chiefly to Kwantung Province, British India, Egypt, China proper, and Manchukuo; artificial silk (44,802,573 yen), chiefly to British India, Mexico, and China proper; toys (42,294,760 yen), chiefly to the United States and Great Britain; paper (38,707,781 yen), chiefly to Kwantung Province, China proper, and Manchukuo; lumber (35,411,867 yen), chiefly to Great Britain, Kwantung Province, and China proper; wheat flour (30,745,616 yen), chiefly to China proper and Kwantung Province; hats, caps, and hat bodies (26,336,994 yen), chiefly to the United States; glass and its manufactures (33,572,025 yen), chiefly to British India, the United States, and the Dutch East Indies; vegetable oils (23,661,663 yen), chiefly to the United States; tea (23,180,845 yen), chiefly to the United States, Russia, and Canada; lamps and parts (21,949,920 yen), chiefly to the United States, Great Britain, Kwantung Province, the Dutch East Indies, and British India; and aquatic products (21,915,507 yen), chiefly to Kwantung Province, the United States, China proper, Hongkong, and the Straits Settlements.

IMPORTS BY CONTINENTS

North America was Japan's chief source of supply during 1937, replacing Asia, which has usually held first place. Imports from North America were valued at 1,374,252,143 yen as against 920,747,144 yen. Of this amount, imports from the United States were valued at 1,269,541,908 yen and from Canada at 104,691,530 yen. Imports from Asiatic countries were valued at 1,295,114,325 yen as against 1,060,189,007 yen. Imports from European countries were valued at 504,001,351 yen as compared with 330,123,390 yen. Imports from Oceanic countries were valued at 222,128,886 yen as against 210,497,998 yen, from African countries at 206,304,939 yen as against 108,142,870 yen, from South America at 162,610,622 yen as against 112,190,309 yen, and from Central America at 18,765,014 yen as against 21,790,759 yen. Central America was the only group of countries to show decreased exports to Japan during the period under review.

PRINCIPAL SOURCES OF SUPPLY

The following list shows Japan's twenty largest suppliers during 1937 in order of the value of products supplied, together with percentage of increase or decrease as compared with 1936:—

Country		1937 Yen		1936 Yen	Inc. or Dec. Per Cent
United States.. . . .	(1)	1,269,541,908	(1)	847,453,490	+ 49.8
British India.. . . .	(2)	449,486,492	(2)	372,009,089	+ 20.8
Manchukuo.. . . .	(3)	249,071,306	(3)	205,566,956	+ 21.1
Germany.. . . .	(4)	176,377,017	(6)	115,499,646	+ 52.7
Australia.. . . .	(5)	165,251,527	(4)	181,914,491	— 9.1
Dutch East Indies.. . . .	(6)	153,450,356	(7)	113,545,919	+ 35.1
China proper.. . . .	(7)	143,636,305	(5)	154,837,816	— 7.2
Great Britain.. . . .	(8)	105,757,827	(9)	72,941,655	+ 45.0
Canada.. . . .	(9)	104,691,530	(8)	73,179,160	+ 43.0
Federation of South Africa.. . . .	(10)	88,852,224	(19)	22,561,172	+293.8
Egypt.. . . .	(11)	74,117,961	(11)	45,736,671	+ 62.0
Straits Settlements.. . . .	(12)	67,795,717	(12)	41,174,279	+ 64.6
Brazil.. . . .	(13)	62,810,478	(10)	47,352,104	+ 32.6
Sweden.. . . .	(14)	49,277,128	(18)	23,108,956	+113.3
New Zealand.. . . .	(15)	48,632,842	(20)	21,972,527	+121.3
British Malaya.. . . .	(16)	47,795,462	(13)	39,125,356	+ 22.1
Kwantung Province.. . . .	(17)	45,198,378	(15)	33,848,189	+ 33.5
Philippine Islands.. . . .	(18)	45,193,610	(14)	36,266,294	+ 24.6
Argentina.. . . .	(19)	42,017,540	(16)	29,988,040	+ 40.1
Belgo-Luxemburg Economic Union	(20)	41,058,929	(25)	16,018,959	+156.3

Figures in parentheses indicate positions of countries in order of value of goods imported from them.

IMPORTS BY COMMODITIES

ORES AND METALS

Ores and metals were Japan's largest import item during 1937, being valued at 901,130,824 yen as against 374,891,804 yen in 1936. Since August, 1937, Japanese trade statistics have not shown imports of lead, zinc, copper, tin, nickel, aluminium, iron and steel, etc., separately but only under one item, namely "ores and metals."

RAW COTTON

Raw cotton has for many years been Japan's largest single import and, if metals were classified separately, would easily occupy first place among Japan's imports during 1937. Imports of raw cotton during the year under review amounted to 1,816,968,516 pounds (851,162,644 yen) as against 2,007,874,176 pounds (850,415,600 yen) in 1936, a decrease in quantity although a slight increase in value due to a rise in price during 1937 as against 1936. The largest suppliers of raw cotton to Japan were British India (363,634,732 yen), the United States (306,387,972 yen), and Egypt (58,759,467 yen). It is of interest to note that for the first time purchases of raw cotton from British India were valued at more than those from the United States.

SHEEP'S WOOL

Japan's third largest import item was sheep's wool, amounting to 257,906,-220 pounds (298,403,862 yen) as compared with 216,563,952 pounds (200,898,493 yen). Largest suppliers of sheep's wool to Japan were Australia (118,196,247 yen), the Federation of South Africa (82,762,773 yen), New Zealand (42,821,503 yen), and Argentina (17,713,050 yen).

Imports of mineral oil would undoubtedly come fourth in order of value; these imports, however, are no longer shown separately but under one item, "other oils, fats, waxes, and manufactures thereof," which were valued at 280,-069,549 yen. Since in 1936, when imports of mineral oil were valued at 182,-769,347 yen, the item "other oils, fats, waxes, etc.," was valued at only 1,488,919 yen, it may be assumed that the value of 280,069,549 yen quoted above is practically all accounted for by imports of mineral oil.

Imports of all kinds of machinery (including automobiles and parts, scientific instruments, watches, sewing machines, etc.) were valued at 242,201,180 yen as against 153,086,865 yen in 1936.

Imports of paper and rayon pulp amounted to 521,513 short tons (116,-719,852 yen) as against 364,883 short tons (67,107,057 yen) in 1936, a large increase in both quantity and value. Of total imports of pulp, imports of pulp for rayon manufacturing were valued at 80,370,768 yen and those for paper manufacturing at 36,349,084 yen. The largest suppliers of both types of pulp to Japan were the United States (49,180,841 yen), Sweden (26,993,444 yen), Norway (17,071,263 yen), and Canada (12,619,027 yen).

Imports of india-rubber and gutta-percha (crude) were valued at 99,217,584 yen as against 72,956,543 yen. The largest imports of rubber came from the Straits Settlements (41,566,287 yen), the Dutch East Indies (25,774,825 yen), and French Indo-China (8,370,753 yen).

VALUES EXCEEDING 20,000,000 YEN

The following other products were imported to a value exceeding 20,000,000 yen:—

Beans and peas (92,547,363 yen), chiefly from Manchukuo; lumber (64,817,407 yen), chiefly from the United States, Canada, and the Philippine Islands; coal (59,224,254 yen), chiefly from Manchukuo, China proper, and French Indo-China; oilcake (45,309,609 yen),

chiefly from Manchukuo; hides and skins (44,571,498 yen), chiefly from China proper, the United States, Argentina, and Australia; oil-yielding materials (43,612,048 yen), chiefly from Manchukuo, China proper, the Dutch East Indies, and British India; "other" vegetable fibres (40,994,972 yen), chiefly from the Philippine Islands, British India, and China proper; phosphorite (30,810,382 yen), chiefly from Egypt, the United States, and the Straits Settlements; wheat (29,604,451 yen), chiefly from Australia, Canada, and Argentina; and sulphate of ammonia (20,191,313 yen), chiefly from Kwantung Province, Germany, and Manchukuo.

VALUES UNDER 20,000,000 YEN

The following products were imported to a value not exceeding 20,000,000 yen and not less than 5,000,000 yen:—

Sugar (18,806,021 yen), chiefly from the Dutch East Indies; synthetic colours (16,927,861 yen), chiefly from Germany, Switzerland, and the United States; wheat bran (10,652,601 yen), chiefly from Manchukuo and China proper; woollen tissues (9,291,721 yen), chiefly from Great Britain; newsprint (9,170,584 yen), chiefly from Canada; leather (7,519,748 yen), chiefly from British India and the United States; fresh beef (6,877,823 yen), chiefly from China proper, Australia, Kwantung Province, Manchukuo, and Canada; caustic soda (6,534,405 yen), chiefly from Great Britain and the United States; and watches and parts (5,644,847 yen), chiefly from Switzerland.

SUMMARY OF THE FOREIGN TRADE OF JAPAN

The following is a summary of Japan's foreign trade for the years 1937 and 1936:—

	1937 Yen	1936 Yen	Inc. Per Cent
Imports..	3,783,177,280	2,763,681,477	36.9
Exports..	3,175,418,224	2,692,975,564	17.9
Total..	6,958,595,504	5,456,657,041	27.5
Excess of imports.. . . .	607,759,056	70,705,913	759.5

PRINCIPAL EXPORTS AND IMPORTS

The following figures show Japan's chief exports and imports for the calendar years 1937 and 1936, together with the percentage of increase or decrease as compared with 1936:—

Principal Exports from Japan

	1937 Yen	1936 Yen	Inc. or Dec. Per Cent
Cotton Tissues:—			
Other..	300,008,326	254,725,067	+ 17.8
Grey..	148,403,653	143,579,837	+ 3.3
Bleached..	124,652,793	85,286,342	+ 46.1
Raw silk..	407,117,835	392,808,919	+ 3.6
Artificial silk tissues.. . . .	154,860,384	149,169,597	+ 3.8
Machinery and parts.. . . .	109,881,054	82,054,064	+ 33.9
Comestibles..	86,905,089	71,076,577	+ 22.3
Silk tissues..	72,286,212	68,026,708	+ 6.2
Knitted goods..	60,712,524	49,988,387	+ 21.4
Cotton yarns..	54,905,696	38,344,845	+ 43.2
Iron manufactures..	54,116,339	40,302,375	+ 34.3
Pottery..	53,971,480	43,548,092	+ 23.9
Woollen tissues..	50,082,143	45,956,171	+ 9.0
Artificial silk..	44,802,573	29,173,262	+ 53.6
Toys..	42,294,760	36,459,318	+ 16.0
Papers..	38,707,781	27,544,573	+ 40.5
Lumber..	35,411,867	24,703,242	+ 43.3
Glass and its manufactures.. . . .	33,572,025	25,627,192	+ 31.0
Wheat flour..	30,745,616	17,621,809	+ 74.5
Hats, caps, hat bodies, etc..	26,336,994	19,736,183	+ 33.4
Vegetable oils..	23,661,663	35,495,861	— 33.3
Tea..	23,180,845	13,129,925	+ 76.5
Lamps and parts..	21,949,920	18,586,651	+ 18.1
Aquatic products..	21,915,507	22,216,061	— 1.3

Exports of iron and steel, which were valued in 1936 at 76,420,151 yen, are no longer shown in the Japanese trade statistics.

Principal Imports into Japan

	1937 Yen	1936 Yen	Inc. or Dec. Per Cent
Ores and metals ¹	901,130,824	374,891,804	+140.4
Raw cotton	851,162,644	850,415,600	+ 0.1
Sheep's wool	298,403,862	200,898,493	+ 48.5
Pulp (paper and rayon)	116,719,852	67,107,057	+ 73.9
Rubber	99,217,584	72,956,543	+ 36.0
Beans and peas	92,547,363	82,601,112	+ 12.0
Lumber	64,817,047	55,547,989	+ 16.7
Coal	59,224,254	51,055,577	+ 16.0
Oil cake	45,309,609	35,789,576	+ 26.6
Hides and skins	44,571,498	24,385,752	+ 82.8
Oil yielding materials	43,612,048	44,873,079	- 2.8
Other vegetable fibres	40,994,972	37,300,937	+ 9.9
Phosphorite	30,810,382	22,392,699	+ 37.6
Wheat	29,604,451	33,650,887	- 12.0
Sulphate of ammonia	20,191,313	33,929,521	- 40.5
Sugar	18,806,021	20,927,736	- 10.1
Synthetic colours	16,927,861	11,404,302	+ 48.4
Wheat bran	10,652,601	8,724,129	+ 22.1
Woolen tissues	9,291,721	9,675,029	- 3.9
Newsprint	9,170,584	10,164,326	- 9.8
Leather	7,519,748	5,464,948	+ 37.6

¹ Includes aluminium, lead, zinc, copper, nickel, tin, etc.

Imports of mineral oil, machinery, iron and steel, automobiles and parts, are no longer shown separately in the Japanese trade statistics.

JAPAN'S TRADE WITH CANADA

From the standpoint of value Japan's total trade with Canada established an all-time high during 1937. Total trade with the Dominion was valued at 124,727,333 yen as against 87,733,553 yen in 1936, an increase of 36,993,780 yen. Exports to Canada were valued at 20,035,803 yen as against 14,554,393* yen, an increase of 5,481,410 yen. Japan's peak year in exports to Canada was 1927, when exports were valued at 27,401,680 yen. Exports in 1937 were the largest since 1929, when they were valued at 27,096,148 yen.

Imports from Canada reached a new high in 1937, being valued at 104,691,530 yen as against 73,179,160 yen in 1936 (which was also an all-time high), an increase of 31,512,370 yen. Japan had therefore an unfavourable trade balance with Canada during 1937 amounting to 84,655,727 yen as against an excess of imports in 1936 of 58,624,767 yen, an increase of 26,030,960 yen. This is according to Japanese statistics, which do not, of course, show indirect exports to Canada, such as raw silk, which is purchased through New York. If Canada's purchases of raw silk were taken into account, Japan's unfavourable balance of trade with Canada would be reduced to a considerable extent.

According to the returns of the Dominion Bureau of Statistics, Canada's imports of "silk cocoons, raw silk, not more advanced than singles, not to include material wholly or partially degummed," for the calendar years 1936 and 1937 were as follows:—

Calendar Year	According to Countries of Consignment		According to Countries of Origin	
	Lbs.	\$	Lbs.	\$
Calendar Year 1936				
Total imports	2,145,790	3,866,972	2,145,790	3,866,972
Japan	74,119	131,432	1,803,930	3,247,050
United States	2,042,498	3,681,784	5,112	1,842
Calendar Year 1937				
Total imports	2,445,871	4,831,824	2,445,871	4,831,824
Japan	110,147	237,240	2,409,795	4,764,640
United States	2,330,277	4,584,098	.....	.....

* According to the 1936 trade returns, exports to Canada in 1936 were valued at 14,553,343 yen, but were revised to 14,554,393 yen in the 1937 statistics.

EXPORTS TO CANADA

Japan's largest export to Canada is raw silk, but, as has been mentioned above, this product is chiefly imported into Canada from the United States and is therefore shown in Japanese statistics as an export to the United States. According to Japanese statistics, direct exports of raw silk to Canada amounted to 736 bales valued at 727,137 yen as against 1,021 bales valued at 823,352 yen in 1936, a decrease in both quantity and value, but according to the above table the value of the importations of Japanese raw silk into Canada was \$237,240 (6,879,960 yen) in 1937 as compared with \$131,432 (3,811,528 yen) in 1936.

Next to raw silk, Japan's chief exports to Canada were pottery, toys, tea, artificial silk tissues, rice, lamps and parts, and silk tissues.

Exports of pottery to Canada were valued at 2,038,174 yen as against 2,025,147 yen, an increase of 13,027 yen. Canada ranked seventh among purchasers of Japanese pottery.

Exports of toys to Canada were valued at 1,668,743 yen as against 1,080,712 yen, an increase of 588,031 yen; the Dominion ranked fifth as a purchaser of Japanese toys. Exports of tea to Canada were valued at 1,226,248 yen as against 1,096,971 yen, an increase of 129,277 yen. The Dominion was third among buyers of this commodity. Exports of artificial silk tissues to Canada were valued at 997,436 yen as against 725,102 yen, an increase of 272,334 yen. Exports of rice to Canada amounted to 694,294 yen as against 841,738 yen, a decrease of 147,444 yen. The Dominion was the second best market for Japanese rice.

Other exports to Canada were lamps and parts (666,310 yen), silk tissues (221,879 yen), brushes (205,138 yen), silk handkerchiefs (148,116 yen), buttons (116,295 yen), menthol crystals (95,044 yen), and beans (55,623 yen).

IMPORTS FROM CANADA

Japan's largest imports from Canada during 1937 were lead, aluminium, zinc, nickel, lumber, pulp, wheat, and newsprint, but not necessarily in that order. As has been mentioned earlier in this report, the Japanese statistics after July, 1937, discontinued showing metals separately in the returns or according to countries of origin. It is therefore impossible to show the Japanese figures in this report for minerals, but according to figures of the Dominion Bureau of Statistics, exports of lead, aluminium, zinc, and nickel to Japan for the calendar years 1937 and 1936 were as follows:—

	1937	1936
Lead	\$4,297,536	\$3,140,296
Aluminium	3,458,321	1,494,039
Zinc	1,169,799	1,099,737
Nickel	4,053,712	1,223,677

Apart from metals, Japan's largest import from Canada during 1937 was pulp valued at 12,619,027 yen as against 4,150,317 yen, an increase of 8,468,710 yen. Of total imports of pulp from Canada, 71,035,731 pounds (6,581,364 yen) were for paper making, and 46,216,266 pounds (6,037,663 yen) for rayon manufacture. Canada was the fourth largest exporter of pulp to Japan. The United States (49,180,841 yen), Sweden (26,993,444 yen), and Norway (17,071,263 yen), were the largest suppliers of pulp to Japan.

Imports of lumber from Canada were valued at 11,517,042 yen as against 6,217,311 yen, an increase of 5,299,731 yen. Canada was, next to the United States (30,076,606 yen), the largest supplier of lumber to Japan. Imports of wheat from Canada amounted to 1,441,392 bushels (7,355,195 yen) as against 3,521,441 bushels (10,973,179 yen) in 1936, a decrease in both quantity and value. Canada, next to Australia (15,623,332 yen), was the largest exporter of wheat to Japan.

Canada maintained her position of being the leading supplier of newsprint to Japan, a position which she has now held for some eight years. Imports of

newsprint from the Dominion were valued at 6,658,483 yen as against 8,443,042 yen, a decrease of 1,784,559 yen. Canadian supplies represented over 72 per cent of total imports of newsprint. Imports of fresh beef from Canada were valued at 188,451 yen as against 182,444 yen, an increase of 6,007 yen. Imports of machinery from the Dominion are no longer included in the statistics.

Countries of origin for imports of wheat flour into Japan are not listed in the latest trade returns, but, according to the manufacturers of a seasoning extract known as "Ajinomoto," no Canadian flour has been brought in since last summer. Up to that time they had imported 370,000 bags, and as this firm are practically the only importers of Canadian flour, the above figure represents total imports of Canadian flour into Japan during 1937. In 1936 this firm brought in 1,200,000 bags from Canada. Inability to secure permits for further imports, due to exchange control regulations, is their chief reason for not purchasing Canadian flour, which, because of its high gluten content, is considered the best flour obtainable for the manufacture of their product.

OTHER PRODUCTS

Although Japanese statistics list only countries of origin for a few commodities, they show imports from Canada of the following products during the year under review: asbestos, skates, hockey sticks, carbon paper, iron and steel scrap, macaroni, cheese, tomato ketchup, bacon, hams, sausages, turkeys, powdered milk, condensed milk, tomato juice, salt salmon, frozen salmon, salmon roe, salt herring, rye whisky, kraft paper, bond paper, wall paper, lithographed pictures, senega root, hides, golf clubs, golf balls, surgeons' rubber gloves, live stock, papermakers' felts, agricultural implements, old silk stockings, rubberized plush, leather and other products. Importation of many of the above products has already ceased, due to prohibitions and exchange control regulations.

SUMMARY OF JAPAN'S TRADE WITH CANADA, 1937 AND 1936

Following is a summary of Japan's total trade with Canada for the years 1937 and 1936:—

	1937 Yen	1936 Yen	Inc. Per Cent
Imports..	104,691,530	73,179,160	43.0
Exports ¹	20,035,803	14,554,393*	37.6
Total..	124,727,333	87,733,553	42.1
Excess of imports..	84,655,727	58,624,767	44.4

* This figure was published as 14,553,343 in the 1936 statistics.

¹ Do not include indirect purchases by Canada of raw silk.

CHIEF EXPORTS AND IMPORTS

The following tables show Japan's chief exports to and imports from Canada for the years 1937 and 1936, together with percentages of increase or decrease as compared with 1936:—

Principal Exports to Canada

	1937 Yen	1936 Yen	Inc. or Dec. Per Cent
Pottery..	2,038,174	2,025,147	+ 0.6
Toys..	1,668,743	1,080,712	+ 54.4
Tea..	1,226,248	1,096,971	+ 11.8
Artificial silk tissues..	997,436	725,102	+ 37.5
Raw silk (direct exports only)..	727,137	823,352	- 11.7
Rice..	694,294	841,738	- 17.5
Lamps and parts..	666,310	219,046	+204.2
Silk tissues..	221,879	216,719	+ 2.4
Brushes..	205,138	129,429	+ 58.5
Silk handkerchiefs..	148,116	62,029	+138.8
Buttons..	116,295	88,740	+ 31.0
Menthol crystals..	95,044	36,242	+162.2
Beans and peas..	55,623	29,072	+ 91.3

Principal Imports from Canada

	1937 Yen	1936 Yen	Inc. or Dec. Per Cent
Pulp (paper and rayon)	12,619,027	4,150,317	+204.0
Lumber	11,517,042	6,217,311	+ 85.2
Wheat	7,355,195	10,973,179	— 33.0
Newsprint	6,658,483	8,443,042	— 21.1

In addition to the commodities listed above, lead, aluminium, zinc, and nickel, figures for which are no longer available from Japanese statistics, were imported from Canada. Dominion Bureau of Statistics figures for exports of these commodities to Japan from the Dominion are given on page 496.

FOREIGN TRADE OF CHINA, JANUARY TO JUNE

M. T. STEWART, ACTING TRADE COMMISSIONER

Except where otherwise stated, all dollar references are to the Yuan or Chinese standard dollar. Detailed figures for the value of imports are given by the Chinese Maritime Customs only in Customs gold units. The approximate average equivalents of the Chinese gold unit and of the Chinese standard dollar for the first six months of 1936, 1937, and the first six months of 1938 were as follows:—

	1936	1937	1938
Yuan or C.S. dollar equals	U.S.\$0.29755	U.S.\$0.29362	U.S.\$0.26001
Customs G.U. equals	U.S.\$0.67199	U.S.\$0.67009	U.S.\$0.58702
Customs G.U. equals	Yuan \$2.258	Yuan \$2.282	Yuan \$2.259

Shanghai, August 4, 1938.—The publication of the June returns of the foreign trade of China makes it possible to review the trade of the first half of 1938 and to compare the figures with those of the corresponding period of last year, when there were no hostilities in China, and both import and export trade were exceedingly active. The foreign trade of China during the first half of 1937 was much greater than in the corresponding period of 1936, and in order to provide a complete basis of comparison, figures for the first six months of 1936, 1937, and the first six months of 1938 are given where they may be of interest.

China's foreign trade for the first six months of 1938 was valued at \$766,677,565 as compared with \$1,088,874,216 in 1937 and \$791,711,713 for the similar period of 1936. Exports were valued at \$322,605,931 as compared with \$482,859,251 in 1937 (\$332,711,469 in 1936), and imports totalled \$444,071,634 as compared with \$606,014,965 in 1937 (\$459,000,244 in 1936). At the end of the first half of 1937 China's foreign trade showed an advance of 37.5 per cent as compared with the first half of 1936, but the figures for 1938 show a decline of 29.5 per cent from the 1937 total.

The trading position of Shanghai in relation to the rest of China has altered greatly during the period under review, as will be shown by the following schedule:—

	Jan.-June 1938	Jan.-June 1937	Inc. or Dec. in 1938	Per Cent Inc. or Dec.
Total trade value—				
Shanghai	\$177,034,201	\$611,954,846	—\$434,920,645	—71.0
Rest of China	589,643,364	476,919,370	+ 112,723,994	+23.6
Total for China	\$766,677,565	\$1,088,874,216	—\$322,196,651	—29.5
Imports—				
Shanghai	\$104,171,802	\$362,949,559	—\$258,777,757	—71.2
Rest of China	339,899,832	243,065,406	+ 96,834,426	+39.8
Total for China	\$444,071,634	\$606,014,965	—\$161,943,331	—26.7
Exports—				
Shanghai	\$ 72,862,399	\$249,005,287	—\$176,142,888	—70.7
Rest of China	249,743,532	233,853,964	+ 15,889,568	+ 6.7
Total for China	\$322,605,931	\$482,859,251	—\$160,253,320	—33.1

CHINA'S IMPORTS BY PRINCIPAL SUPPLYING COUNTRIES

Following is a schedule showing imports into China from the chief supplying countries for the first six months of 1938 and 1937:—

	Jan.-June, 1937			Jan.-June, 1938		
	\$1,000	Rank	Per Cent	\$1,000	Rank	Per Cent
Total Imports..	607,221	..	100.00	446,886	..	100.00
United States..	115,386	1	19.00	86,182	1	19.28
Japan..	115,365	2	19.00	62,666	3	14.02
Germany..	90,583	3	14.92	64,748	2	14.49
Great Britain..	68,811	4	11.33	39,861	4	8.92
Netherlands India..	48,776	5	8.03	21,883	5	4.90
Belgium..	17,811	6	2.93	11,958	13	2.68
British India (incl. Burma)..	10,461	10	1.72	14,470	10	3.24
Canada..	12,236	8	2.02	4,145	15	0.93
Siam..	10,179	11	1.68	21,463	6	4.80
France..	6,632	15	1.09	13,839	11	3.10
French Indo-China..	15,545	7	2.56	19,102	7	4.27
Hongkong..	9,720	12	1.60	12,075	12	2.70
Australia..	11,009	9	1.81	8,483	14	1.90
Italy..	6,312	16	1.04	14,478	9	3.24
Kwantung Leased Territory..	7,333	13	1.21	14,725	8	3.29
Straits Settlements and F.M.S..	7,264	14	1.20	3,456	16	0.77

There have been various changes in the direction of the import trade of China, as shown by the above comparative schedule. Burma, French Indo-China, and Siam have increased their shipments to China in the first half of 1938, these increases being largely composed of rice and paddy shipments, made necessary by the domestic food shortage arising from the hostilities. Substantial increases were recorded in the imports from France and Italy as compared with the first half of 1937. The heaviest decline in imports is shown in those from Japan, but Great Britain, Germany, and the United States also show substantial losses for the period under review.

Imports from Canada decreased greatly as a direct result of the hostilities, but it is reasonable to expect that the trade will be regained when peaceful conditions are restored.

CHINA'S IMPORTS BY CHIEF COMMODITY GROUPS

The following table shows imports according to principal commodity groups for the first half of 1937 and 1938 respectively:—

	Jan.-June 1937	Jan.-June 1938
	Gold Units	Gold Units
Total Imports..	265,644,594	196,595,974
Manufactured cotton goods (including raw cotton, yarn and thread)	12,206,626	7,818,220
Flax, ramie, hemp, jute and manufactures thereof..	6,097,938	3,994,005
Wool and manufactures thereof..	10,899,855	2,086,979
Silk (including artificial silk) and manufactures thereof..	4,421,976	618,438
Metals and ores..	38,763,617	15,824,810
Machinery and tools..	19,129,297	10,032,161
Vehicles and vessels..	11,053,710	8,604,596
Miscellaneous metal manufactures..	12,014,213	6,352,381
Fishery and sea products..	4,154,452	1,605,628
Animal products, canned goods and groceries..	2,343,940	1,732,983
Cereals and flour..	14,356,894	37,363,338
Fruits, seeds and vegetables..	1,737,869	1,856,756
Medicinal substances and spices..	2,083,578	1,349,803
Sugar..	5,969,766	2,950,799
Wines, beer, spirits, table waters, etc..	346,120	400,735
Tobacco..	6,464,769	5,641,511
Chemicals and pharmaceuticals..	16,101,616	10,499,413
Dyes, pigments, paints and varnishes..	11,401,833	4,115,386
Candles, soap, oils, fats, waxes, gums and resins..	29,256,738	20,791,859
Books, maps, paper and wood pulp..	19,920,073	9,738,192
Hides, leather and other animal substances..	1,326,626	877,889
Timber..	4,565,592	3,240,870

Imports by Chief Commodity Groups—Concluded

	Jan.-June 1937	Jan.-June 1938
	Gold Units	Gold Units
Wood, bamboos, rattans, coir, straw and manufactures thereof.	2,030,548	1,214,492
Coal, fuel, pitch and tar.	1,780,746	1,689,681
Chinaware, enamelledware, glass, etc.	1,765,777	693,060
Stone, earth and manufactures thereof.	1,024,338	665,638
Sundry.	24,426,087	34,836,351

Total imports for the first half of 1938 were below the figure recorded for the same period of 1936, and several of the main commodity groups that showed the greatest increases in the first six months of 1937 over 1936 fell away again in 1938. Among these are: wool and manufactures thereof (1936, G.U.5,216,273); silk (including artificial silk) and its manufactures (G.U.1,321,599); metals and ores (G.U. 21,014,218); machinery and tools (G.U.12,725,151); miscellaneous metal manufactures (G.U.9,432,280); sugar (G.U.3,184,001); chemicals and pharmaceuticals (G.U.11,284,688); dyes, pigments, paints, and varnishes (G.U.10,232,321); candles, soap, etc. (G.U.20,667,185); and books, maps and paper, etc. (G.U.12,241,038).

The imports of manufactured cotton goods have declined consistently throughout 1936, 1937 and 1938, the total value recorded for this group in 1936 being G.U.15,144,144. Imports of cereals and flour are more than double either the 1936 or 1937 figures (1936, G.U.15,912,210), due to local food shortage, and the sundry item under which purchases of war supplies and materials are grouped showed a large increase (G.U.25,920,041).

CHINA'S PRINCIPAL IMPORTS FROM CANADA

The following table shows the principal commodities imported from Canada during the first six months of 1937 and 1938:—

(All figures are in thousands—000 omitted—unless otherwise noted. Where figures are not given they are either unavailable or negligible. One cubic metre equals roughly 424 feet board measure; one kilogram equals roughly 2.2 lbs.; one quintal equals roughly 220 lbs.; nine quintals are roughly the equivalent of one short ton; one litre equals roughly 1.76 pints. One gold unit equals U.S.\$0.63.)

	Totals from Canada		Total all Countries	
	1937	1938	1938	
	Quantity	G.U.	Quantity	G.U.
Total imports of all kinds. . . . .	....	5,366	....	1,834
	Cub. M.		Cub. M.	
Timber of all kinds. . . . .	....	1,542	....	243
Hardwood logs.	3.3	45	1.3	28
Softwood logs.	56.5	569	2.2	34
Sawn softwood.	44.0	597	8.8	174
Manufactured softwood.	7.1	133	0.2	5
Books, maps, paper and wood-pulp. . . . .	....	1,405	....	147
	Quintals		Quintals	
Common printing and newsprint.	128.8	890	12.0	118
Kraft paper.	25.0	324	1.3	23
Paper n.o.r. . . . .	....	35	....	2
Metals and ores. . . . .	....	1,072	....	624
	Kg.		Kg.	
Aluminium (not including foil).	575.3	329	563.5	385
	Quintals		Quintals	
Lead, pigs, or bars.	17.0	347	10.0	134
Zinc.	18.7	317	4.2	58
Cereals and flour. . . . .	....	475	....	402
Cereals, n.o.r.	0.301	4	0.285	3
Wheat flour.	51.5	470	43.4	399
Chemicals and pharmaceuticals. . . . .	....	103	....	106
Sulphate of ammonia.	20.4	94	13.3	93
Fishery and sea products. . . . .	....	372	....	90
Salted herring.	76.4	341	15.1	77
Machinery and tools. . . . .	....	32	....	15
Printing, bookbinding and paper-making machinery and parts. . . . .	....	28	....	10
Machinery and parts n.o.r. . . . .	....	4	....	4

Principal Imports from Canada—Concluded

	Totals from Canada				Total all Countries
	1937	1938	1937	1938	1938
	Quantity	G.U.	Quantity	G.U.	G.U.
Vehicles and vessels.. . . . .	.....	9	.....	13	8,605
Motor cars and buses (including chassis)	Pieces		Pieces		
Animal products, canned goods, groceries	0.006	6	0.006	9	697
	.....	20	.....	17	1,733
	Kg.		Kg.		
Cream and milk evaporated..	19.9	3	28.8	5	161
Foodstuffs, canned or in any other pack- ing, n.o.r.... . . . . .	.....	4	.....	6	324
Macaroni, vermicelli and similar products	15.5	3	12.4	3	8
Animal products and groceries, n.o.r....	.....	4	.....	2	202
Miscellaneous metal manufactures.. . . .	.....	50	.....	24	6,352
Hides, leather and other animal substances	.....	6	.....	9	879
Leather, n.o.r. (including coloured)....	.....	.....	.....	4	252
	Quintals		Quintals		
Dyes, pigments, paints and varnishes.. .	.....	15	.....	15	4,115
Silk (including artificial silk) and manu- factures thereof.. . . . .	.....	4	.....	2	618
Sundry.. . . . .	.....	223	.....	90	38,836
	Pieces		Pieces		
Rubber pneumatic tires for motor vehicles	9.3	171	2.9	66	633
Musical instruments and parts or acces- sories, n.o.r.... . . . . .	.....	10	.....	2.8	37
Rubber inner tubes for motor vehicles....	6.3	13	2.6	8	79
Animals, living.. . . . .	.....	7	.....	7	57

CHINA'S EXPORTS TO PRINCIPAL BUYING COUNTRIES

Following is a schedule showing the relative importance of the chief purchasers of China's products for the first half of 1937 and 1938:—

	1937	1938		1937	1938
	\$1,000	Rank	Per Cent	\$1,000	Rank
Total exports..	483,014	..	100.00	322,919	..
United States..	155,601	1	32.21	31,677	3
Hongkong..	66,613	2	13.79	112,465	1
Japan..	63,125	3	13.07	55,619	2
Germany..	43,931	4	9.10	23,397	4
Great Britain..	36,156	5	7.49	23,218	5
France..	16,481	6	3.41	7,517	9
Straits Settlements and F.M.S.	10,628	7	2.20	8,359	8
Netherlands..	10,124	8	2.10	3,070	13
British India (incl. Burma)...	9,464	9	1.96	8,940	7
Kwantung leased Territory ..	9,334	10	1.93	9,903	6
Korea..	5,664	11	1.17	4,350	11
Canada..	5,498	12	1.14	1,552	16
French Indo-China..	4,606	13	0.95	5,661	10
Philippine Islands..	4,404	14	0.91	1,889	14
Morocco..	3,402	15	0.70	3,531	12
Belgium..	3,318	16	0.69	1,087	17
Australia..	3,187	17	0.66	1,667	15

During the period under review, direct purchases by the United States decreased substantially, but the statistics do not indicate accurately the true position. The greatly increased exports shown to Hongkong, which has become the entrepôt centre of the foreign trade of China and the importance of which in this respect has been accentuated because of the hostilities, make a correct analysis difficult, as the products of China are re-exported from Hongkong to the United States, Great Britain, the Continent, and elsewhere.

The movement of China's foreign trade shows many changes as compared with the first half of 1937 before the outbreak of hostilities. In 1938 Hongkong (Kowloon) assumed the place formally held by Shanghai as the premier port, while Tientsin has become the chief export centre, also at the expense of Shanghai. At the end of June, 1937, nearly 40 per cent of the import trade of China for the half-year period had passed through the port of Shanghai. During the first six months of the year the percentage of China's total trade entering Shanghai was

less than 24 per cent, and the actual decline in value amounted to 257 millions of Shanghai dollars. All other ports in Central and North China, with the exception of Tientsin, show a similar decline in activity, whereas Hongkong and other South China ports have been exceptionally active.

EXPORTS BY COMMODITY GROUPS

The following table records exports according to principal commodity groups from January to June, 1938, as compared with the same period of 1937:—

	1937	1938
Total exports.....	\$482,859,251	\$322,605,931
Animals and animal products (not including hides, leather and skins (furs), and fishery and sea products).....	61,960,583	45,880,130
Hides, leather and skins (furs).....	44,074,566	10,908,183
Fishery and sea products.....	1,821,358	1,337,164
Beans and peas.....	4,388,631	453,708
Cereals and cereal products.....	12,255,943	513,474
Dyestuffs, vegetable.....	975,198	604,741
Fruits, fresh, dried and preserved.....	7,887,006	4,969,157
Medicinal substances and spices (not including chemicals).....	5,900,114	5,836,381
Oil, tallow and wax.....	79,701,668	27,691,360
Seeds.....	26,314,897	8,298,834
Spirituuous beverages.....	713,747	641,800
Sugar.....	2,784	27,733
Tea.....	11,493,313	8,925,316
Tobacco.....	5,352,263	3,465,313
Vegetables.....	5,922,330	4,748,239
Other vegetable products.....	4,345,451	1,951,120
Bamboo.....	1,802,050	1,272,624
Fuel.....	7,882,229	6,265,692
Rattan.....	71,517	50,885
Timber, wood and manufactures thereof.....	1,893,895	1,510,925
Paper.....	3,444,602	3,432,569
Textile fibres.....	80,898,725	69,440,475
Yarn, thread, plaited and knitted goods.....	23,787,585	23,780,239
Piece-goods.....	12,682,919	9,698,835
Other textile products.....	6,647,114	5,245,721
Ores, metals and metallic products.....	48,750,959	53,383,583
Glass and glassware.....	251,724	294,838
Stone, earth, sand and manufactures thereof (including chinaware and enamelledware).....	2,607,535	2,239,953
Chemicals and chemical products.....	4,282,241	2,543,324
Printed matter.....	1,386,561	1,615,433
Sundry.....	13,359,743	15,578,182

CHINA'S EXPORTS TO CANADA

The following table shows exports to Canada of the ten leading commodity groups for the first six months of 1938 as compared with the corresponding period of 1937:—

	1937		1938	
	Quantity	\$	Quantity	\$
Total exports to Canada.....	.....	5,498,000	.....	1,552,000
Yarn, thread, plaited and knitted goods.....	.....	936,143	.....	620,832
Drawn thread work.....	.....	94,497	.....	90,209
Cross-stitch work and embroideries other than silk.....	.....	567,747	.....	271,583
Embroideries, silk.....	Kilos. 606	19,571	Kilos. 234	8,482
Lace and trimmings.....	.....	254,023	.....	250,558
Oils.....	.....	1,614,796	.....	8,642
	Quintals		Quintals	
Peanut oil.....	38,942	1,593,355	.....	.....
Wood oil.....	232	21,441	149	8,642
Walnuts.....	.....	948,057	.....	420,190
Walnut kernels.....	12,640	919,498	7,165	420,190
Walnuts in shell.....	1,225	28,559	.....	.....
Peanuts.....	.....	1,012,523	.....	225,413
In shell.....	1,545	20,898	317	6,350
Shelled.....	50,608	991,625	11,805	219,063
Textile fibres (silk).....	.....	3,795	.....	.....

China's Exports to Canada—Concluded

	1937		1938	
	Quantity	\$	Quantity	\$
	Pieces		Pieces	
Hides, leather, skins and furs.. . . .	.....	148,048	.....	44,070
Skins, lamb, dressed or undressed.. . . .	630	3,189	.....	.....
Skin mats and rugs n.o.r..	18,073	88,598	3,870	23,940
	Quintals		Quintals	
Tea.. . . .	.....	164,120	.....	16,537
Black tea, Congou.. . . .	1,129	62,734	.....	15
Black tea, other.. . . .	11	943	24	1,083
Green tea, Gunpowder.. . . .	820	81,860	103	10,381
Green tea, Young Hyson.. . . .	86	11,632	59	5,011
Woollen carpets and flour rugs.. . . .	236	129,597	98	63,190
Ores, metals and metallic products.. . . .	.....	62,548	.....	8,887
Brassware.. . . .	94	10,778	56	6,830
Metals and metallic products, n.o.r.. . . .	.....	5,459	.....	1,933
Antimony regulus.. . . .	620	45,316	.....	.....
	Pieces		Pieces	
Sundries.. . . .	.....	167,428	.....	105,812
Buntal fibre hats.. . . .	17,100	16,332	16,284	31,068
Hemp fibre hats.. . . .	68,712	42,276	34,200	36,600
Curios and antiques.. . . .	.....	14,237	.....	3,680
	Gross		Gross	
Hair-nets, made of human hair.. . . .	15,656	29,866	9,229	22,718
Lacquerware.. . . .	.....	5,469	.....	1,216

The analysis of the trade figures for the first half of 1938 does not reveal many encouraging factors, and the weakened position of the port of Shanghai as a centre for import and export trade as compared with her predominant position prior to the outbreak of hostilities is very apparent. The entire structure of the foreign trade of China will inevitably be considerably altered on account of the hostilities, and when peaceful conditions are restored the period of readjustment will be a difficult one. The fact remains, however, that China is an important market for imported products.

Canada's trade with China, at no time large, has been seriously curtailed, but the future for the main export commodities to this market, viz., timber, paper, and metals, will undoubtedly be attractive. The destruction consequent upon the hostilities has to some extent enhanced Canada's prospects for trade, particularly with respect to timber. The future for miscellaneous manufactured products is uncertain, and it is difficult to forecast the market in that direction. However, the present indications are that import and export trade is reviving, and once peace is restored general trade may recover very quickly.

ECONOMIC CONDITIONS IN SIAM**B. C. BUTLER, CANADIAN TRADE COMMISSIONER**

(All values in Siamese bahts or ticals; one tical equals 45 cents Canadian;
one metric ton equals 2,205 pounds)

Singapore, August 6, 1938.—Siam has not escaped the universal recession in trade during the last quarter of 1937 and the first six months of the present year. The situation in Siam was somewhat aggravated by the very unsatisfactory rice crop during the previous year, which seriously reduced the national income. Moreover, the slump in tin and rubber prices has been felt in the outlying districts and ports of Siam, although trade in these commodities has little effect on the city of Bangkok. The provincial districts have also suffered from the prohibition on exports of live cattle and hogs, due to prevalence of contagious animal diseases. The war in China has reduced exports to both belligerent countries, and imports from Japan, which normally comprise 25 per cent of the total, have been seriously curtailed as a result of a strong boycott on the part of the Chinese community, which practically controls business in Siam.

All these unfavourable factors have resulted in dull trading and an overstocked market.

FOREIGN TRADE

The total trade for Siam for the first five months of the present year was valued at 120,429,000 ticals as compared with 127,088,000 ticals for the same period of 1937. Imports in the 1938 period totalled 46,896,900 as compared with 49,607,000 ticals in the corresponding period of the previous year, and exports 73,532,000 as against 77,481,000 ticals. Canada can compete in relatively few import items, and imports from Canada in the five-months period were valued at only Can.\$9,500 as compared with Can.\$12,600 in the first five months of 1937.

NOTES ON EXPORT PRODUCTS

RICE

The price of rice during the current year has averaged somewhat lower than in 1937, but the export position is much more satisfactory. Total exports for the January-May period of the present year were 712,857 tons valued at 47,158,000 ticals as compared with 444,753 tons at 33,903,000 ticals in the same period of 1937, an increase of 60 per cent in quantity but only 38 per cent in value. Comparison with the previous year is favourable because there was a virtual crop failure in 1937, and the present year shows every indication of being at least up to normal. The official estimate of the surplus of rice that will be available for export during the 1938 crop year is 1,600,000 tons.

Some concern is expressed for the marketing of this quantity in the face of adverse trade conditions. Exports to India are being constantly reduced due to the increase in domestic production in that country and a protective tariff policy. The loss of the Cuban market is threatened as the result of an adverse tariff favouring other Eastern suppliers. Shipment of rice to Japan is being opposed by Chinese dealers in Bangkok who control the trade and refuse to do business with Japanese buyers. As rice constitutes Siam's major export crop and the source of income for the majority of her population, future economic conditions depend upon the solution of this marketing problem.

TEAK

Once Siam's second largest export commodity, exports of teak in recent years have progressively shrunk in quantity and value. Exports for the January-May period of the present year were valued only at 2,989,000 ticals as compared with 4,107,000 in the same period of 1937. The outlook for the industry is not bright.

RUBBER

In common with other rubber producing countries, Siam's income from this commodity has suffered during the past nine months. Exports in the first five months of 1938 were approximately 50 per cent of the total for the same period of 1937, the values being 6,658,000 ticals and 12,926,000 ticals respectively.

Rubber growers in Siam have again refused to sign the new International Rubber Restriction Agreement which is to come into effect in January, 1939.

TIN

The lower prices for this commodity affect the value of exports from Siam. The total for the first five months of the present year was 11,178,000 ticals against 16,767,000 ticals for the same months of 1937.

NEW LEGISLATION

A new act for the control of banking, passed last year, came into force on April 1. Under this enactment banks operating in Siam are required, *inter alia*, to have a fixed minimum capitalization, maintain a deposit security with the Government and adhere to regulations with respect to hours of business and similar routine matters.

The position of Siam's currency continues to be satisfactory. The value of notes in circulation at the end of May was 145,632,500 ticals against which there was a reserve of 166,000,000 ticals of which 85 per cent consisted of sterling securities and 11 per cent was coins.

A cement manufacturer has opened a factory in Bangkok for the manufacture of asbestos cement sheets of which Siam imported some 700 tons valued at Can.\$20,000 in 1937.

TARIFF CHANGES AND CUSTOMS REGULATIONS

Ireland

IMPORT QUOTAS ON LEATHER AND RUBBER FOOTWEAR, AND INNER TUBES

Mr. James Cormack, Canadian Trade Commissioner in Dublin, advises that by order of the Executive Council of Ireland new quotas have been established for the period October 1, 1938, to March 31, 1939, as follows: on leather boots and shoes, 300,000 articles as against 271,000 articles for the preceding six months; on certain rubber boots and shoes, 80,000 articles as against 100,000 articles for the preceding six months; on inner tubes for motor car tires, 2,000 articles as against 3,000 articles for the preceding six months; on inner tubes for bicycle or tricycle tires, 8,000 articles as against 10,000 articles for the previous six months.

Bahamas

TARIFF ON ONIONS REDUCED

A Bahamas Order in Council of April 19, which brought into force the maximum tariff on onions of 12s. per 100 pounds, was cancelled by an order effective from July 15. The effect is the restoration of the normal tariff of 2s. per 100 pounds. The foregoing are general tariff rates. The preferential rate, applicable to Canada, is 25 per cent less in each case.

British India

TARIFF REDUCED ON DRIED SKIMMED MILK

British India Finance Department (Central Revenues) Customs Notification No. 104, dated July 30, 1938, exempts "dried skim milk, that is to say, dried milk powder containing not more than 4 per cent of fat and no added ingredients," from duty under the preferential tariff, applicable to the United Kingdom, and reduces the duty to 10 per cent ad valorem under the standard tariff, applicable to Canada and other countries. Other classes of preserved milks remain dutiable under the heading "milk, condensed or preserved, including milk cream," Item No. 4(1) of the Indian customs tariff, at 20 per cent ad valorem to the United Kingdom and 30 per cent ad valorem to other countries.

Palestine

TARIFF ON WHEAT AND WHEAT FLOUR

Palestine Customs Tariff and Exemption Order (No. 7). 1938, amends the tariff on wheat and wheat flour, with effect from July 19. Wheat (other than

triticum durum), Item No. 19, valued at £8 per metric ton (of 2,204 pounds) or over, is dutiable at £1 per metric ton (about 13 cents per bushel). Under that value a sliding scale of duties is provided which increases the duty $\frac{1}{4}$ per ton for each $\frac{1}{4}$ that the value is below £8 per ton to a maximum duty of £4 per ton on wheat valued under $\text{£}5\frac{1}{4}$ per ton. Formerly wheat valued at £9 per ton or over was exempt from duty, and under that value a duty of $\frac{1}{4}$ per metric ton was imposed with an increase of $\frac{1}{4}$ per ton for each $\frac{1}{4}$ decrease in value to a maximum duty of $\text{£}4\frac{1}{4}$ per ton. The duty on wheat, hard (*triticum durum*), is unchanged at £3 per metric ton.

Wheat flour, Item No. 27, valued at $\text{£}11\frac{1}{2}$ per metric ton or over, is dutiable at £2 per metric ton, and the duty is increased $\frac{1}{4}$ per metric ton for each $\frac{1}{4}$ decrease in value to a maximum of $\text{£}7\frac{1}{2}$ per metric ton for wheat flour valued under $\text{£}6\frac{1}{4}$ per metric ton. Formerly wheat flour valued at $\text{£}10\frac{1}{2}$ per metric ton or over was dutiable at £2 per metric ton, and the duty increased $\frac{1}{4}$ per metric ton for each $\frac{1}{4}$ decrease in value to a maximum of £7 per metric ton for flour valued under $\text{£}5\frac{3}{4}$ per metric ton. (See *Commercial Intelligence Journal* No. 1759 (October 16, 1937), page 696, and No. 1787 (April 30, 1938), page 672.)

United States

MARKING OF KNOCKED DOWN AGRICULTURAL MACHINERY

The United States Treasury Department has given the following information regarding the marking requirements pertaining to agricultural machinery in a knocked down condition, imported in bundles, comprising one complete machine for assembly in the United States: Each machine imported in a knocked down condition is considered to be properly marked to indicate the country of origin under Section 304 of the Tariff Act, as amended, if marked on an integral part of the machine with the English name of the country of origin, in a legible, indelible and permanent manner, so that the mark of origin will be clearly visible when the machine is assembled in the United States. The component parts of the machine are not required to be individually marked.

Norway

TARIFF INCREASES

Mr. Richard Grew, Canadian Trade Commissioner at Oslo, reports under date August 31, 1938, that a resolution was passed in Norway on June 23 last, effective August 20, 1938, providing for certain customs tariff amendments, of which the following might be of interest to Canadian exporters: Accumulators and parts thereof 0.18 kroner per kilogram (previously free), and carbon paper and blue paper 0.45 kroner per kilogram (previously 0.15 kroner per kilogram). (One Norwegian krone is equal to 24.3 cents at current rate of exchange; and one kilogram is equivalent to 2.2 pounds)

Japan

EXPORT RESTRICTIONS

Mr. C. M. Croft, Commercial Secretary, Canadian Legation, Tokyo, advises that schedule "C" of the Japanese Emergency Import and Export Control Law, enumerating commodities subject to export restriction, has been amended with effect from July 29, 1938, by the addition of: waste or old fibres, waste yarns and waste threads of hemp (ex Item No. 295); twines, cordages, braids, and plaited ropes, old (excluding those for trimming), of hemp (ex Item No. 297); rags of hemp (ex Item No. 341); special steel (Item No. 462-2); pipes and tubes of iron (Item No. 462-3); Babbitt's metal and other anti-friction metals (Item No. 474). Waste paper (Item No. 400) is no longer subject to export restriction. (See *Commercial Intelligence Journal* No. 1805: September 3, 1938, page 402.)

FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING SEPT. 12, 1938

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, September 12, 1938, and for the week ending Tuesday, September 6, 1938, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending Sept. 6	Nominal Quotations in Montreal Week ending Sept. 12	Official Bank Rate
Austria	Schilling	.1407	.....	.....	—
Belgium	Belga	.1001	\$.1695	\$.1692	3
Bulgaria	Lev	.0072	.0124	.0125	6
Czechoslovakia	Koruna	.0296	.0346	.0347	3
Denmark	Krone	.2680	.2159	.2157	4
Finland	Markka	.0252	.0214	.0213	4
France	Franc	.0392	.0270	.0271	2½
Germany	Reichsmark	.2382	.4012	.4023	4
Great Britain	Pound	4.8666	4.8367	4.8320	2
Greece	Drachma	.0130	.0088	.0088	6
Holland	Guilder	.4020	.5420	.5418	2
Hungary	Pengo	.1749	.2973	.2980	4
	Unofficial		.1972	.1975	—
Italy	Lira	.0526	.0527	.0528	4½
Yugoslavia	Dinar	.0176	.0232	.0230	5
Norway	Krone	.2680	.2430	.2428	1½
Poland	Zloty	.1122	.1889	.1891	4½
Portugal	Escudo	.0442	.0438	.0438	4½
Roumania	Leu	.0060	.0073	.0073	3½
Spain	Peseta	.1930	.0522	.0524	5
Sweden	Krona	.2680	.2494	.2491	2½
Switzerland	Franc	.1930	.2269	.2269	1½
United States	Dollar	1.0000	1.0028	1.0050	1
Mexico	Peso	.4985	.1952	.1935	3
Cuba	Peso	1.0000	1.0021	1.0043	—
Guadeloupe	Franc	.0392	.0270	.0271	—
Jamaica	Pound	4.8666	4.8467	4.8420	—
Martinique	Franc	.0392	.0270	.0271	—
Other British West Indies	Dollar	1.0138	1.0076	1.0066	—
Argentina	Peso (Paper)	.4245	.3227	.3221	3½
	Unofficial		.2537	.2538	—
Brazil	Milreis (Paper)	.1193	.0587	.0590	—
British Guiana	Dollar	1.0138	1.0076	1.0066	—
Chile	Peso	.1217	.0519	.0521	3-4½
	Unofficial		.0401	.0402	—
Colombia	Peso	.9733	.5706	.5702	4
Peru	Sol	.2800	.2056	.2010	6
Venezuela	Bolivar	.1930	.3008	.3015	—
Uruguay	Peso	1.0342	.6365	.6371	—
South Africa	Pound	4.8666	4.8306	4.8259	3½
Egypt	Pound (100 Piastres)	4.9431	4.9537	4.9540	—
China (Shanghai)	Dollar	.....	.1702	.1705	—
Hongkong	Dollar	.....	.3023	.3013	3
India	Rupee	.3650	.3603	.3605	3.29
Japan	Yen	.4985	.2820	.2817	—
Java	Guilder	.4020	.5419	.5417	—
Siam	Baht (Tical)	.4424	.4430	.4432	—
Straits Settlements	Dollar	.5678	.5635	.5605	—
Australia	Pound	4.8666	3.8700	3.8650	3
New Zealand	Pound	4.8666	3.9000	3.8970	2

The Dominion Bureau of Statistics has supplied the following note:—

A sharp break of 1·7 cent occurred in sterling over the week-end and brought quotations to \$4·8367 on September 6. The margin between spot and forward rates increased and discounts on ninety-day futures widened from 27½ to 11¼. A slight recovery followed as unofficial reports indicated a lessening of the tension in the European situation and the British pound moved up to \$4·8381 on the 8th. Almost immediately selling pressure was renewed, and by the 10th the pound had receded to \$4·8275 but closed higher at \$4·8319. Most other European currencies were also easier. The belga declined from 16·95 cents on September 6 to 16·88 cents on the 9th, and then recovered to close at 16·92 cents. The Netherlands florin fell 7 points between the 6th and 10th, but by the 12th had moved up to 51·18 cents. Premiums in United States funds were reduced from ¾ of 1 per cent to ¼ on the 8th, but moved forward to close at ½ of 1 per cent.

TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

Secretary, Board of Trade—

Saint John, N.B.
Halifax, N.S.
Quebec, P.Q.
Montreal, P.Q.
Toronto, Ont.
Chatham, Ont.

Kitchener, Ont.
Brantford, Ont.
Stratford, Ont.
Woodstock, Ont.
St. Mary's, Ont.
Portage la Prairie, Man.

St. Boniface, Man.
Winnipeg, Man.
Vancouver, B.C.
New Westminster, B.C.

Secretary, Chamber of Commerce—

Sherbrooke, P.Q.
Kingston, Ont.
Oshawa, Ont.
Belleville, Ont.

Peterborough, Ont.
London, Ont.
St. Catharines, Ont.
Hamilton, Ont.

Victoria, B.C.
Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.—

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

Secretary, Canadian Manufacturers Association—

Secretary Canadian Manufacturers Association—

Toronto, Ont.
Montreal, P.Q.

Winnipeg, Man.
Edmonton, Alta.

Vancouver, B.C.
Victoria, B.C.

Director, Trade Extension, Victoria, B.C.

Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.

Commodity	No.	Location of Inquirer	Purchase or Agency
Foodstuffs—			
Honey.....	477	Bristol, England.....	Agency.
Flour.....	478	Cardiff, Wales.....	Purchase.
Miscellaneous—			
Artificial Silks, Printed.....	479	New York City, New York	Purchase.
Artificial Silk, Light Weight			
Woollen and Mixture Materials	480	Dublin, Ireland.....	Agency.
Arsenate of Lead.....	481	Cape Town, South Africa...	Purchase.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Montreal

To Liverpool.—Duchess of Atholl, Sept. 23 and Oct. 21; Duchess of Bedford, Sept. 30; Duchess of Richmond, Oct. 7; Duchess of York, Oct. 14—all Canadian Pacific; Antonia, Sept. 23; Andania, Oct. 7—both Cunard-White Star Line; Taborfjell, Oct. 8; Glitrefjell, Oct. 29—both Fjell Line.

To London.—Beaverbrae, Sept. 23; Beaverhill, Sept. 30; Beaverburn, Oct. 7; Beavertale, Oct. 14; Beaverford, Oct. 21—all Canadian Pacific; Ausonia, Sept. 30; Alaunia, Oct. 7; Aurania, Oct. 14—all Cunard-White Star Line; Rutenfjell, Sept. 21; Ornefjell, Oct. 5; Carmelfjell, Oct. 19—all Fjell Line.

To Manchester.—Manchester Division, Sept. 22; Manchester Port, Sept. 29; Manchester Commerce, Oct. 6; Manchester Progress, Oct. 13—all Manchester Line; Taborfjell, Oct. 8; Glitrefjell, Oct. 29—both Fjell Line.

To Southampton.—Montrose, Canadian Pacific, Oct. 1 and 29.

To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.—Bristol City, Bristol City and Dominion Lines, Sept. 28; Dakotian, Cunard-Donaldson and Dominion Lines, Oct. 7.

To Glasgow.—Delilian, Sept. 23; Letitia, Sept. 30; Sulairia, Oct. 7; Athenia, Oct. 14—all Donaldson-Atlantic Line.

To Newcastle and Leith.—Cairnesk (also calls at Dundee), Sept. 21; Cairnmona, Sept. 28; Cairnross, Oct. 5; Cairnvalona, Oct. 12—all Cairn-Thomson Line.

To Aberdeen and Hull.—Bassano, Ellerman's Wilson Line, Sept. 23.

To Dublin and Belfast.—Kenbane Head, Head Line, Sept. 24 (cargo accepted for Cork and Londonderry).

To Hamburg and Bremen.—Beaverhill, Sept. 30; Beaverbrae, Oct. 28—both Canadian Pacific (do not call at Bremen); Frankenthal, Hamburg-American Line, Sept. 24; Augsburg, North German Lloyd Line, Oct. 21.

To Copenhagen, Gothenburg, Stockholm and Helsingfors.—Braheholm, Swedish-America-Mexico Line, Sept. 29.

To Norwegian Ports.—Taborfjell, Oct. 8; Glitrefjell, Oct. 29—both Fjell Line.

To Antwerp and Havre.—Beaverbrae, Sept. 23; Montrose, Oct. 1; Beaverburn, Oct. 7; Beavertale, Oct. 14; Beaverford, Oct. 21—all Canadian Pacific (do not call at Havre); Brant County, Sept. 30; August (does not call at Havre), Oct. 14; Flint 2 (does not call at Antwerp), Oct. 20—all County Line; Rutenfjell, Sept. 21; Ornefjell, Oct. 5; Carmelfjell, Oct. 19—all Fjell Line (do not call at Havre).

To Rotterdam.—Lista, Sept. 20; Grey County, Oct. 10; Flint 2, Oct. 20—all County Line; Rutenfjell, Sept. 21; Ornefjell, Oct. 5; Carmelfjell, Oct. 19—all Fjell Line.

To Marseilles, Genoa, Leghorn, Naples, Messina, Palermo, Gibraltar and Lisbon.—Capo Noli, Oct. 1; Capo Lena, Oct. 22—both Capo Line (will also call at Cadiz and/or Seville and/or Casablanca if sufficient cargo offers).

To St. John's, Nfld.—A steamer, Shaw SS. Co. Ltd., about the end of September (also calls at Harbour Grace, Bay Roberts, Carbonear and Port Union; will touch at Newfoundland south coast ports as cargo offerings warrant); Belle Isle, Newfoundland-Canada SS. Ltd., Sept. 23 (also calls at St. Pierre-Miquelon).

To Cornerbrook, Nfld.—Gaspesia, Sept. 21; New Northland, Sept. 26—both Clarke SS. Co.

To Puerto Rico, Barbados, Trinidad and Demerara.—Colborne, Sept. 29; Cornwallis, Oct. 13; Chomedy, Oct. 27—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To Hamilton, Nassau, Kingston and Belize.—Cathcart (calls at Kingston only), Sept. 23; Lady Rodney, Sept. 28; Cavalier (calls at Kingston only), Oct. 7; Lady Somers, Oct. 12—all Canadian National.

To Bermuda, St. Kitts, Antigua, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lundby, Sept. 23; Maud, Oct. 7; a steamer, Oct. 21—all Ocean Dominion SS. Corp. (call at Guadeloupe and Martinique if sufficient cargo offered).

To Santos and Buenos Aires.—A steamer, International Freighting Corp., about Oct. 15 (will also call at Rio de Janeiro if sufficient inducement warrants).

To Brisbane, Sydney, Melbourne and Adelaide.—Port Halifax, Sept. 30; City of Delhi, Oct. 30—both Montreal Australia New Zealand Line (will also call at Geelong).

To Auckland, Wellington, Lyttelton and Dunedin.—Kaimata, Sept. 21; Kaipara, Oct. 21—both Montreal Australia New Zealand Line.

To Cape Town, Port Elizabeth, East London and Durban.—Calumet (also calls at Free-town, Lourenco Marques and Beira), Elder Dempster Lines Ltd., Sept. 27.

To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Madras, Rangoon, Calcutta and Singapore.—City of Bath, Canada-India Service, Sept. 28.

To Straits Settlements and Netherlands East Indies Ports.—Palembang, Sept. 24; Phemius, Oct. 21—both Blue Funnel Line.

From Quebec

To Southampton.—Empress of Britain, Canadian Pacific, Sept. 24, Oct. 8 and 22.

From Halifax

To Liverpool.—Newfoundland, Sept. 20; Nova Scotia, Oct. 8—both Furness Line; Manchester Exporter, Manchester Line, Sept. 26.

To London.—Beemsterdijk, Sept. 22; Tiradentes, Oct. 1; Maasdam, Oct. 8—all Holland-America Line.

To Manchester.—Manchester Regiment, Sept. 18; Manchester Division, Sept. 25; Manchester Port, Oct. 2; Manchester Commerce, Oct. 9—all Manchester Line.

To Newcastle.—Cairnesk, Sept. 24; Cairnross, Oct. 8—both Cairn-Thomson Line.

To Cardiff and Bristol.—Bristol City, Bristol City and Dominion Lines, Oct. 1.

To St. John's, Nfld.—Magnhild (also calls at St. Pierre and Newfoundland outports), Newfoundland-Canada SS. Ltd., Sept. 19, Oct. 3 and 17; Fort Amherst, Sept. 19 and Oct. 3; Fort Townshend, Sept. 26—both Furness-Red Cross Line (also call at St. Pierre); Newfoundland, Sept. 20; Nova Scotia, Oct. 8—both Furness Line; Portia, Newfoundland Rys. and SS. Co., Sept. 28.

To Kingston, Jamaica.—Cathcart, Sept. 26 and Oct. 24; Cavelier, Oct. 10—both Canadian National.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Hawkins, Sept. 22; Lady Drake, Oct. 6; Lady Nelson, Oct. 20—all Canadian National; Lundby, Sept. 28; Maud, Oct. 12—both Ocean Dominion SS. Corp. (call at Guadeloupe and Martinique if sufficient cargo offered but not at Nevis or Montserrat).

To Puerto Rico, Barbados, Trinidad and Demerara.—Chomedy, Sept. 19; Colborne, Oct. 3; Cornwallis, Oct. 17—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To Santiago (Cuba) and Kingston (Jamaica).—Kirsten B., Sept. 21 and Oct. 19; Lutz, Oct. 5—both Pickford & Black Ltd. (also call at Jamaican outports as cargo offers).

To Far East Ports.—Malayan Prince, Furness-Prince Line, Sept. 21; Silversandal, Silver Line, Oct. 4.

From Saint John

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Drake, Sept. 28; Lady Nelson, Oct. 12; Lady Hawkins, Oct. 26—all Canadian National.

To Kingston and Jamaican Outports.—Crawford Ellis, United Fruit Co., Sept. 23, Oct. 7 and 21 (cargo accepted for Caribbean, Central and South American ports with transshipment at Kingston).

From Vancouver

To Yokohama, Kobe and Osaka.—Hikawa Maru, Oct. 1; Hie Maru, Oct. 15; Heian Maru, Oct. 29—all Nippon Yusen Kaisha.

To Yokohama, Kobe, Shanghai, Hongkong and Manila.—Empress of Russia (calls at Nagasaki), Oct. 1; Empress of Japan (calls at Honolulu), Oct. 14; Empress of Asia (calls at Nagasaki), Oct. 29; Empress of Canada (calls at Honolulu), Nov. 12—all Canadian Pacific; Tyndareus, Oct. 4; Ixion, Nov. 3—both Blue Funnel Line (call at Miike but not at Manila).

To Tsingtao and Shanghai.—Gemstone (does not call at Shanghai), about Sept. 30; Ruperra, about Sept. 30—both North Pacific Shipping Co. Ltd.

To Honolulu, Suva, Auckland and Sydney.—Aorangi, Sept. 28; Niagara, Oct. 26—both Canadian-Australasian Line.

To Manila, Iloilo, Cebu, Soerabaya, Samarang, Batavia, Colombo and Bombay.—Tosari (calls at Saigon, Singapore and Persian Gulf ports, also at Port Swettenham and Belawan Deli if cargo offers), Oct. 1; Silverlaurel (calls at Belawan Deli, will also call at Singapore and Port Swettenham if cargo offers), Oct. 24; Hoegh Silverlight (calls at Saigon, Singapore and Persian Gulf ports, also at Port Swettenham and Belawan Deli if cargo offers), Nov. 1—all Silver-Java Pacific Line.

To Papeete, Auckland, Wellington, Dunedin, Melbourne and Sydney.—Tolten, Sept. 20; Speybank (also calls at Lyttelton), Oct. 2; Limerick (calls at Lyttelton but not at Dunedin), Oct. 20—all Canadian-Australasian Line.

To Brisbane, Sydney, Melbourne and Adelaide.—Tolken, Empire Shipping Co. Ltd., Oct. 10.

To London, Plymouth, Hull and Swedish Ports.—Axel Johnson, Sept. 23; Margaret Johnson (does not call at Hull), Sept. 30—both Johnson Line.

To London, Liverpool and Rotterdam.—Lochkatrine, North Pacific Coast Line, Oct. 1.

To Antwerp, Hamburg and Bremen.—Portland, Hamburg-American Line, Sept. 24; Schwaben, Oct. 3; Weser, Nov. 1—both North German Lloyd Line.

To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.—San Diego, Sept. 18; San Jose, Oct. 7; Wisconsin, Oct. 24—all Empire Shipping Co. Ltd.

To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.—Leme, Sept. 22; Fella, Oct. 11—both Empire Shipping Co. Ltd.

To Port of Spain (Trinidad) and Bridgetown (Barbados).—Bonnington Court, Canadian Transport Co., about Sept. 30.

To Cape Town, Port Elizabeth, East London, Durban and Lourenco Marques.—Silverwillow, Oct. 7; Modiokerto, Nov. 5—both Silver-Java Pacific Line (call at Beira and Calcutta, will also call at Colombo and Madras if sufficient cargo offers).

To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.—Hoyanger, Sept. 26; Leikanger, Oct. 27—both Empire Shipping Co. Ltd. (will call at West Coast ports if sufficient cargo offered).

Note.—Firms who desire information concerning ocean and mail services may have their names placed on the mailing list of the Post Office Weekly Bulletin by applying to the Post Office Department.

COMMERCIAL INTELLIGENCE SERVICE

L. D. WILGRESS, *Director*

CANADIAN GOVERNMENT TRADE COMMISSIONERS

Argentina

J. A. STRONG, B. Mitre 430, Buenos Aires (1). (Territory includes Uruguay.) *Cable address, Canadian.*

Australia

Sydney: L. M. COSGRAVE. Address for letters—P.O. Box No. 3952V. Office—City Mutual Life Building, Hunter and Bligh Streets. (Territory includes the Australian Capital Territory, New South Wales, Queensland, Northern Territory and Dependencies.) *Cable address, Canadian.*

Melbourne: FREDERICK PALMER. Address for letters—Box 196C, G.P.O. Office—Safe Deposit Office Building. (Territory includes States of Victoria, South Australia, Western Australia, and Tasmania.) *Cable address, Canadian.*

Belgium

YVES LAMONTAGNE, Shell Building, 60 Ravenstein Street, Brussels. *Cable address, Canadian.*

Brazil

L. S. GLASS. Address for letters—Caixa Postal 2164, Rio de Janeiro. Office—Ed. Da. "A. Noite," Sala 802, Praca Maua. *Cable address, Canadian.*

British India

PAUL SYKES. Address for letters—P.O. Box 2003, Calcutta. Office—23 Esplanade Mansions, Government Place East, Calcutta. (Territory includes Burma and Ceylon.) *Cable address, Canadian.*

British Malaya

B. C. BUTLER, Union Building, Singapore, Straits Settlements. (Territory includes the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India.) *Cable address, Canadian.*

British West Indies

Trinidad: M. B. PALMER. Address for letters—P.O. Box 125, Port of Spain. Office—Barclay's Bank Building. (Territory includes Barbados, Windward and Leeward Islands, and British Guiana.) *Cable address, Canadian.*

Jamaica: F. W. FRASER, P.O. Box 225, Kingston. Office—Canadian Bank of Commerce Chambers. (Territory includes Haiti, the Bahamas, and British Honduras.) *Cable address, Canadian.*

China

H. A. SCOTT. Address for letters—P.O. Box 264, Shanghai. Office—Ewo Building, 27 The Bund, Shanghai. (Territory includes Central China and North China.) *Cable address, Canadian.*

Cuba

C. S. BISSETT. Address for letters—Apartado 1945, Havana. Office—Royal Bank of Canada Building, Calle Aguiar 75, Havana. (Territory includes Dominican Republic and Puerto Rico.) *Cable address, Canadian.*

Egypt

HENRI TURCOT. Address for letters—P.O. Box 1770, Cairo. Office—22 Shari Kasr el Nil, Cairo. (Territory includes the Sudan, Palestine, Cyprus, Iraq, Syria, Iran, Greece, Turkey, Bulgaria, and Roumania.) *Cable address, Canadian.*

France

HERCULE BARRÉ, Commercial Attaché, 3 rue Scribe, Paris (9). (Territory includes French Colonies in North Africa.) *Cable address, Cancomac.*

Germany

J. C. MACGILLIVRAY, Bendlerstrasse 38, Berlin, W.35. (Territory includes Czechoslovakia and Poland.) *Cable address, Cantracom.*

Hongkong

V. E. DUCLOS. Address for letters—P.O. Box 80, Hongkong. Office—Hongkong and Shanghai Bank Building, Hongkong. (Territory includes South China, the Philippines, and Indo-China.) *Cable address, Canadian.*

Ireland

JAMES CORMACK, 66 Upper O'Connell Street, Dublin, Ireland (*cable address, Canadian*): and 36 Victoria Square, Belfast, Northern Ireland.

CANADIAN GOVERNMENT TRADE COMMISSIONERS—*Con.*

Italy

A. B. MUDDIMAN, Via Manzoni Nr. 5, Milan (102). (Territory includes Spain, Portugal, Gibraltar, Malta, Albania, and Yugoslavia.) *Cable address, Canadian.*

Japan

Tokyo: C. M. CROFT, Commercial Secretary. Address for letters—P.O. Box 18, Akasaka Post Office, Tokyo. Office—Canadian Legation, 16 Omotecho, 3-chome, Akasakaku, Tokyo. *Cable address, Canadian.*

Kobe: P. V. McLANE. Address for letters—P.O. Box 230, Kobe. Office—309 Crescent Building, 72 Kyomachi, Kobe. *Cable address, Canadian.*

Mexico

R. T. YOUNG. Address for letters—Apartado Num. 126-Bis, Mexico City. Office—Edificio Banco de Londres y Mexico, Num. 30, Mexico City. (Territory includes Guatemala, Honduras, and Salvador.) *Cable address, Canadian.*

Netherlands

J. A. LANGLEY, Coolsingel 111b, Rotterdam. (Territory includes Switzerland.) *Cable address, Canadian.*

New Zealand

W. F. BULL. Address for letters—P.O. Box 33, Auckland. Office—Yorkshire House, Shortland Street, Auckland. (Territory includes Fiji and Western Samoa.) *Cable address, Canadian.*

Norway

RICHARD GREW, Stortingsgaten 28, Oslo. (Territory includes Sweden, Denmark, and Finland.) *Cable address, Canadian.*

Panama

W. J. RIDDIFORD. Address for letters—P.O. Box 222, Panama City. Office—Royal Bank of Canada Building, Santa Ana Plaza, Panama City. (Territory includes the Canal Zone, Venezuela, Colombia, Nicaragua, and Costa Rica.) *Cable address, Canadian.*

Peru

M. J. VECHSLER. Address for letters—Casilla 1212, Lima. Office—Portal de Belén No. 166, Plaza San Martin, Lima. (Territory includes Bolivia, Ecuador, and Chile.) *Cable address, Canadian.*

South Africa

Cape Town: G. R. HEASMAN. Address for letters—P.O. Box 683. Office—Cleghorn & Harris Building, Adderley Street. (Territory includes Cape Province and Southwest Africa, Natal, Tanganyika, Kenya, Uganda, Mauritius, and Madagascar.) *Cable address, Cantracom.*

Johannesburg: J. L. MUTTER. Address for letters—P.O. Box 715. Office—Prudential Assurance Bldg., 92 Fox Street. (Territory includes Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland.) *Cable address, Cantracom.*

United Kingdom

London: FREDERIC HUDD, Chief Trade Commissioner in the United Kingdom, Canada House Trafalgar Square, S.W.1. *Cable address, Sleighing, London.*

London: J. H. ENGLISH, Trade Commissioner, Canada House, Trafalgar Square, S.W.1. (Territory includes Home Counties, Southeastern Counties, and East Anglia.) *Cable address, Sleighing, London.*

London: W. B. GORNALL, Fruit Trade Commissioner, Aldine House, Bedford Street, Strand, W.C.2. *Cable address, Canfrucum.* (Territory—for fresh fruit only—includes United Kingdom, Norway, Denmark, Sweden, France, Holland, Belgium, and Germany.)

London: W. A. WILSON, Animal Products Trade Commissioner, Canada House, Trafalgar Square, S.W.1. *Cable address, Agrilston.*

Liverpool: ACTING TRADE COMMISSIONER, Martins Bank Building, Water Street. (Territory includes North of England, Lincolnshire, North Midlands, and North Wales.) *Cable address, Canadian.*

Bristol: E. L. MCCOLL, Northcliffe House, Colston Avenue. (Territory includes West of England, South Wales, and South Midlands.) *Cable address, Canadian.*

Glasgow: G. B. JOHNSON, 200 St. Vincent Street. (Territory covers Scotland.) *Cable address, Cantracom.*

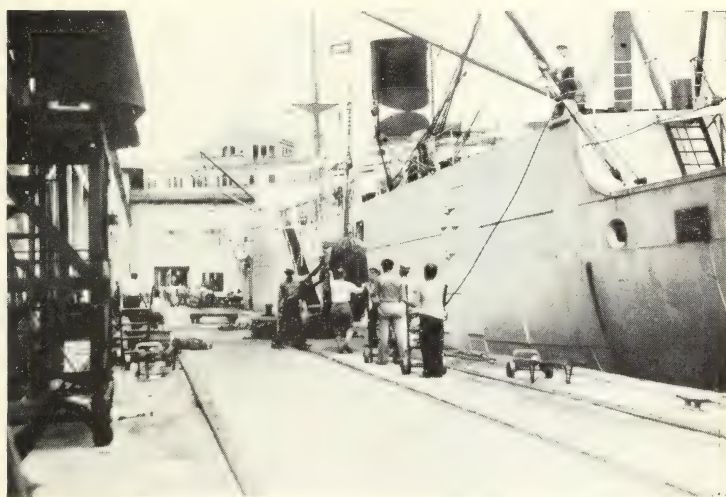
United States

D. S. COLE, British Empire Building, Rockefeller Center, New York City. (Territory includes Bermuda.) *Cable address, Cantracom.*

Note.—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.

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Ottawa, September 24, 1938
No. 1808

COMMERCIAL INTELLIGENCE JOURNAL



Canadian Certified Seed Potatoes being landed at Havana, Cuba

ISSUED BY AUTHORITY OF
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE
JAMES G. PARMELEE, DEPUTY MINISTER



CONTENTS

	Page
Mr. Sykes to Visit Burma.....	513
Canadian Food Products Campaign in the United Kingdom..	513
Alfalfa Meal in the United Kingdom and Northern Ireland..	514
Markets for Potatoes:	
Jamaican Market for Potatoes.....	521
The United States Potato Market.....	523
Potato Markets in Cuba and the Dominican Republic....	525
Market for Potatoes in Haiti.....	533
Markets for Canned Fruits and Vegetables:	
Indian Market for Canned Fruits and Vegetables.....	535
Market for Canned Fruits and Vegetables in Hongkong..	539
Canned and Preserved Fruits and Vegetables in Middle Asia	542
Canada's Domestic Exports to the United States of Principal Products affected by the Canada-United States Trade Agreement: August and Eight Months ended August, 1937 and 1938	550
Trade Commissioners on Tour.....	554
Fresh Apple Trade in Egypt and Palestine.....	554
Brazilian Market for Ready-to-Wear Clothing.....	556
Tariff Changes and Customs Regulations.....	560
Tenders Invited: New Zealand.....	562
Foreign Exchange Quotations.....	563
Trade Inquiries for Canadian Products.....	564
Proposed Sailings from Canadian Ports.....	564
Commercial Intelligence Service.....	567

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Vol. LIX

Ottawa, September 24, 1938

No. 1808

MR. SYKES TO VISIT BURMA

Mr. Paul Sykes, Canadian Trade Commissioner in Calcutta, is planning a business visit to Burma towards the end of November. This market, formerly a province of India but now a separate and independent part of the Empire, has to date received comparatively little attention from Canadian exporters. Any firms interested in investigating current demand for their products in the Burma market or in the appointment of representatives there should communicate early with Mr. Sykes, P.O. Box 2003, Calcutta, India. They should supply samples, prices, selling and agency terms, catalogues, etc., to provide the basis for business discussion with interested buyers or agents.

CANADIAN FOOD PRODUCTS CAMPAIGN IN THE UNITED KINGDOM

FREDERIC HUDD, CHIEF CANADIAN TRADE COMMISSIONER IN THE UNITED KINGDOM

London, September 1, 1938.—Following the "Canada Calling" campaign last year, when a large-scale plan to advertise Canadian products in the United Kingdom was carried out, a concentrated effort is now being made in the Greater London area, prior to a similar concentration in other large consuming areas at a later date. The advertising is now specific rather than general and, for the present, six main products are being featured, namely, canned tomatoes, salmon, cheese, bacon, apples, canned fruits and vegetables. Other Canadian food products with a smaller volume of distribution in this market are also receiving attention.

ADVERTISING

Poster advertising in large display type and bold colours is being carried on a total of nearly 2,500 buses and vans during a nine months' period, together with feature advertising in the London evening papers and suburban press. This press campaign commenced on September 1 and is to run for a period of six months, covering a circulation of 2,681,292 representing a total number of 37,981,685 advertising messages.

PERSONAL CALLS

In order to secure the co-operation of the retailers a specially organized force of service representatives is operating. They are fully conversant with Canadian products and are experienced in canvassing the retail trade throughout Greater London. Calls are being made regularly on the retail grocers, wholesalers, and multiple store owners, grocers are informed of the particular product which the campaign is stressing, Canadian window displays are arranged, display material is distributed, and meetings are arranged with leading importers of Canadian goods. Thus the representatives are kept fully informed as to the

market situation. New display material is also designed to link up with each product as it is advertised, while circulars are sent out each month to the retail trade and wholesale trade informing them of the products to be featured next.

Provincial centres in the United Kingdom in which advertising is still being carried on are Belfast, Birmingham, Bristol, Cardiff, Edinburgh, Glasgow, Hull, Leeds, Leicester, Liverpool, Manchester, Newcastle, Nottingham, Plymouth, Sheffield, Southampton. At present some 700 buses and vans, carrying display advertising of Canadian products, are operating in these towns featuring the special products to which reference has already been made.

PRODUCTS FEATURED

In both London and the provinces canned tomatoes were featured during July and canned salmon during August. Cheese is to be featured during September and October and later bacon will be advertised in London and apples throughout the provinces. The whole plan is being carried out in close co-operation with the Canadian Trade Commissioners in the United Kingdom.

CO-OPERATION OF PRODUCERS

Every effort is being made to secure the co-operation of the producers in Canada with the importers and wholesale and retail grocers in the United Kingdom, but the effectiveness of the campaign in increasing and maintaining the volume of Canadian sales must obviously depend upon the continuity of Canadian supplies and the maintenance of quality standards.

Further information regarding the campaign may be secured on application to the Trade Commissioner, Canada House, Trafalgar Square, S.W.1, or to the Department of Trade and Commerce, Ottawa.

ALFALFA MEAL IN THE UNITED KINGDOM AND NORTHERN IRELAND

FREDERICK HUDD, CHIEF CANADIAN TRADE COMMISSIONER IN THE UNITED KINGDOM

London, August 5, 1938.—The importation of feedstuffs into the United Kingdom has been dealt with in the report entitled "Feedstuffs in the London Market" which was published in *Commercial Intelligence Journal* Nos. 1743 to 1745 (June 26 and July 3 and 10, 1937). The importation of alfalfa meal, while small in contrast to the aggregate and to imports of a number of individual items, is still of considerable importance and gives promise of increasing. This report is intended to amplify the information given in the aforementioned general report, especially in the light of present conditions.

USES AND INCREASED DEMAND

Alfalfa meal is used in the compounding of cattle and poultry feeds, sometimes as mash and sometimes in cubes; it may be used also for feeding hogs.

The original purpose in using alfalfa meal was to supply a "bit of greenstuff," and consequently it has been sold mainly, and in many cases entirely, on the basis of colour. It is still used for this purpose in many parts of the United Kingdom, which accounts for the sale of meal of rather low feeding value but of bright green colour.

With the development of scientific feeding and the growing demand for analysis of feedstuffs, and also with increasing governmental regulations, certain requirements were stipulated for protein and fibre content. Under Statutory

Rules and Orders, 1932, No. 658 of the United Kingdom, it is required that for domestic sales the amount of fibre in alfalfa (lucerne) meal (as also in clover meal) must be declared.

There are no indications of increasing demand for analysis to show carotene content; carotene is the parent substance of vitamin A. To date this requirement has been noted only in isolated cases, but it may be expected that in the next few years there will be a gradual development toward a stipulation for minimum and average carotene content.

It is not thought that the more expensive artificially dried alfalfa or grass meals will displace sun-dried alfalfa meal for some years. The latter is available at little more than half the price of the other. On the other hand, improved methods of production, increased output and more extensive publicity will undoubtedly result in an increase in the quantity of artificially dried meal available as well as in the demand, and may possibly bring about a decrease in the price difference. The artificially dried meal may easily obtain the bulk of the sales within a few years.

COMPETITION

No statistics of importations of alfalfa meal into the United Kingdom are available, nor is it possible to obtain statistics of exportations thereto from producing countries; but, as mentioned later in this report, the principal overseas sources are California and Canada, with occasional lots from South Africa. Argentina formerly supplied quantities of a very cheap meal, but due to regulations concerning foot and mouth disease, shipments from that country were discontinued some years ago. Similarly, continental meal of good quality is available for shipment to the United Kingdom, but due to health regulations it is not permitted entry from certain countries, although there may be some shipments from Scandinavia.

DRIED GRASS MEAL

Accounts of grass drying and the use of dried grass meal have appeared in the *Commercial Intelligence Journal*.¹ Development is confined to gentlemen farmers and private interests. The product is excellent and bids fair to supply from domestic sources increasing quantities of a useful and valuable feed. The quantities of such meal required, however, will probably long exceed the domestic quantities available. Importations of sun-dried alfalfa meal will continue in order to satisfy the requirements of those desiring a less expensive meal, while importations of artificially dried alfalfa meal will be needed to supplement domestic production of dried grass and alfalfa meal.

London and Southeastern England

H. L. BROWN, ASSISTANT TRADE COMMISSIONER

QUALITY FACTORS

The milling of alfalfa meal must be fine and uniform; leaf stalk must not be noticeable—not over $\frac{1}{16}$ inch long. There are two types: sundried and artificially dried. Sun-dried is the type used during past years and, because of its low cost, will probably meet the bulk of the demand for some years to come. The artificially dried meal, however, has two decided advantages: it is a brighter green in colour and has a higher food value. Also, because of the process of preparation, it is usually finer and less stalky. The proportion of artificially dried meal available is as yet very low, but with the continued development of the process and of the production of dried grass meal demand and production will increase during the next few years.

¹ Nos. 1692 (July 4, 1936), No. 1744 (July 3, 1937), and No. 1765 (November 27, 1937).
63751—1½

Though no grades have been established by law in the United Kingdom for alfalfa meal, there is a general acceptance of protein and fibre content as reliable guides to the market value as well as the feeding value of the meal. The most common sun-dried type is stem meal, which shows a minimum of 10 per cent protein and a maximum of 38 per cent fibre; this meal is of poor quality, but because of its low price it is favoured, especially when the colour is good.

The sun-dried meal, which is preferred by the majority of users, contains a minimum of 15 to 18 per cent protein and a maximum of 25 per cent fibre and is of bright green colour, dark rather than light. This is the standard which should be sought for alfalfa meals.

ANALYSIS

A statement of analysis showing protein and fibre content is desirable with each shipment and, in any event, the shipper should be able to supply the buyer with details of analysis¹ in a separate document. As the importer must supply a statutory statement concerning the fibre content, it should be equally obligatory for the Canadian exporter to do so. In fact, the adoption of a printed tag showing average protein and fibre content, for attachment to the bags, would be a valuable aid to steady business.

As a part of the development of artificially dried grass and alfalfa meals, there is a slowly strengthening demand for analyses showing chlorophyll and carotene (vitamin A) content. The usual requirement is a minimum of 240 to 250 milligrams of carotene and 2 to 5 per cent chlorophyll per kilogram. This is as yet required by only a limited number of compounders of feed meals and seldom by the feed merchant who mixes small quantities for sale in his shop. For the latter the main requirement is still a good green colour, a finely ground meal, and a reasonable relationship between protein and fibre contents.

TRADE PRACTICES

Alfalfa meal, which is produced domestically in relatively small quantities, is imported by brokers who sell to compounders and merchants; the latter seldom wish to buy direct from abroad. The most satisfactory arrangement for the exporter is to appoint a broker to handle his meal exclusively in the United Kingdom.

The promiscuous offering of supplies to all and sundry importers is a practice to be deprecated; the only effect of this practice is to reduce the price obtainable and to forfeit the interest of one's broker in the United Kingdom.

Packing is preferably in bags 112 pounds gross. Orders may be for a season or by other contract, but shipments are usually preferred in units of 25 long tons (of 2,240 pounds), 25, 50, 75, or 100 tons.

COMPETITION

The meal shipped from California is sun-dried, of excellent and unchanging quality, and is sold on a definite and guaranteed certificate of analysis. In fact, a printed label showing the analysis is attached to each bag. This is a strong selling point. The colour of the Californian meal is also a very bright green.

There are established grades of Californian meal: stem meal, whole meal (leaf and stem), and leaf meal. The stem meal, with low protein content (10 per cent) and high fibre (38 to 40 per cent), is the cheapest and because of its low price and particularly because of its bright green colour and uniform fineness of grinding, it finds a ready sale. The 10 per cent import duty on Californian meal lessens its importance as a factor in the market. Actually there is no com-

¹ Methods of analysis are described in full in the report "Feedstuffs in the London Market," referred to at the beginning of this report.

petition between Californian and Canadian meal because the former commands a premium of as much as £2 a ton over the Canadian.

Analysis of another grade of Californian meal shows a minimum of 14 per cent protein and a maximum of 33 per cent fibre; while still another shows a minimum of 16 per cent protein and a maximum of 27 per cent fibre. Moderate quantities of these grades are imported. There is also a fancy quality of leaf meal with a minimum of 20 per cent protein and a maximum of 18 per cent fibre, but this is too expensive for the ordinary trade in sun-dried meal.

The South African meal is graded as No. 1 and No. 2, each of which must carry a certificate of quality based on inspection at the port of shipment; meal below standard may not be shipped. South African meal is not at present a factor in the market, but the product that has been supplied meets with favour.

CANADIAN MEAL

Canadian alfalfa meal has sold in fair quantities in the United Kingdom. With a few exceptions, however, Canadian producers of sun-dried alfalfa meal have not been able to provide a product as acceptable as the Californian meal. Canada's export product has been mainly whole meal. This has been of fairly good feeding value, but the grinding has not been uniform and the colour is too frequently poor. It may not be possible to obtain the brilliant colouring of the sun-dried Californian meal, but with fine milling and reasonable protein and fibre content, the lack of colour would be greatly offset. The quality of the Canadian sun-dried meal has deteriorated recently. Current and future shipments should be of the best possible quality in order to maintain the reputation of Canadian meal.

There is an excellent opportunity available for Canadian producers who can supply the meal required and guarantee its protein and fibre content as well as colour. Such producers must be prepared to follow the routine of export trade and to sell through the accepted channels of trade in the United Kingdom.

West of England, South Midlands, and South Wales

E. L. MCCOLL, CANADIAN TRADE COMMISSIONER

QUALITY FACTORS

Stem, being largely fibre, has little value in alfalfa meal. The possibility of the presence of injurious plants, seeds, and dirt is always a matter of concern to poultrymen. As the feed value of alfalfa is in the leaves, a minimum amount of fibrous stem and other foreign matter should be ground into the meal. Purity is essential. In the printed matter issued by one producer it is stated that all weed seeds are sterilized.

Alfalfa meal is mixed in the feeds for young chicks; for this reason it should be finely and evenly ground. Care must be exercised to ensure that the quality of all shipments is uniform. Most buyers judge the quality of alfalfa meal on the basis of colour, which should be a rich chlorophyll green, high carotene and protein content being associated with the presence of this element. If the colour of alfalfa meal is deep olive green or brownish, indicating too great a proportion of foreign material such as fibre, no contradictory statement based on analysis will promote sales except at a price which the market associates with an inferior article.

Up to the present the bulk of alfalfa meal has been sold in the West of England on sample, quality being appraised by colour, uniformity of fineness, and absence of foreign material, as judged by sight, smell, and touch. Analysis, except in the case of three or four of the largest mills, is not used to check the

proportions of carotene, protein, and foreign matter, including fibre, of shipments received from abroad.

TRADE PRACTICES

Quotations are submitted c.i.f. Bristol Channel ports. Terms of payment vary according to arrangements made. These are generally cash against documents—in some cases 95 per cent, the 5 per cent being held back to cover any claims. Some contracts are made on the basis of L.C.F.T. Association Contract No. 1, while other firms adopt the basis of f.a.q. (fair average quality).

The meal is packed in good jute bags of 100 or 112 pounds, principally the latter. It is important that all the bags in a shipment should weigh exactly the same. No "catch" weights are permitted, as individual bags are shipped to customers and charged on the basis of the customary weight.

The current c.i.f. prices of sun-dried alfalfa meal, per ton of 2,240 pounds, are: Canadian, £5 17s. 6d. to £6 10s.; American, £5 5s. (Alfalfa meal not accorded the British Empire preference rate is assessed 10 per cent ad valorem duty.)

Prices of artificially dehydrated alfalfa meal are: English, from £10 to £11; Canadian, around £10 5s. to £10 10s.

Some members of the trade consider it is too early in the season to consider the present prices as stable. Buyers are feeling their way, as the demand for alfalfa should increase as the autumn approaches. This year's prices of sun-dried meal are likely to be from 10s. to 15s. per ton lower than a year ago.

COMPETITION

Competitive alfalfa meals are offered from the United States and a limited quantity from the county of Norfolk, England. Both sun-dried and artificially dehydrated alfalfa meal of excellent quality is shipped here from the United States. England offers only the artificially dried alfalfa meal. It has a high carotene and protein content.

At present English alfalfa meal does not affect the demand for the Canadian product as there is only a small quantity of the former available. Some of the best grades of Canadian alfalfa meal enjoy a preferred position in the market.

Dried grass meal, which has a very high carotene and protein content, is now being offered by manufacturers of this product in England, Denmark, and Sweden. The use of ensilage, which in some degree occupies the same place as grass or alfalfa meal, is increasing in this area.

POSITION OF CANADIAN MEAL

As the value of artificially dried grass meal and alfalfa meal as a component part of the livestock "balanced diet" becomes better known a much greater demand for it will develop. Canadian shippers of alfalfa meal can, therefore, reasonably look forward to an expanding market. The time is very quickly approaching, however, when it will be sold altogether on analysis and the meals containing the larger proportions of carotene and protein will be favoured.

The dehydrating plants in England are stationary buildings of large dimensions, requiring considerable outlay of capital. The grass or alfalfa has to be brought to the plant. In the main, farms are small and few can justify such an investment. Production costs in the case of good-sized farms, allowing for depreciation of plant and return on investment, averages £10 per ton. Feed merchants believe this is far too high, and until prices are lower any expansion in the use of such feed will be restricted.

North of England

H. R. POUSSETTE, CANADIAN TRADE COMMISSIONER

QUALITY FACTORS

Questions as to uniformity and purity can be answered in one sentence: the higher the protein and the lower the fibre content, the better will the meal be regarded. A bright green colour is preferred as buyers believe that meal with this colour contains more vitamins; some dealers ascribe it to what is known as "buying with the eye," in the same way as the housewife buys foods. The meal should be evenly ground, fine but as little fine powder as possible. Fibre content should not exceed 25 to 30 per cent. and protein should be at least 13 to 15 per cent.

A good deal is heard about carotene and chlorophyll content, but it is doubtful if many buyers are familiar with the scientific background. Some propaganda has been carried out by British manufacturers to promote the idea that their methods of cutting the alfalfa while green and drying it immediately preserves the vitamin.

TRADE PRACTICES

Importers and British manufacturers sell to retailers, who sell to the public. The latest Eastern Canadian prices at hand vary from £5 to £5 12s. 6d. per long ton, c.i.f. United Kingdom ports. The alfalfa of a bright colour commands a higher price. The demand is more or less steady, price being an important factor. Alfalfa meal should be packed in plain one-hundredweight (112 pounds gross weight) bags.

COMPETITION

Alfalfa meal is produced locally, and is obtained from Canada, California, and South Africa, but very little comes from the last-named country. Ontario alfalfa meal is well liked, but complaints are made in regard to colour—more in some years than in others. Alfalfa meal from Alberta is extremely well liked and commands a good premium. Some of the latter has been sold at £7 per ton c.i.f. Californian is considered superior to Eastern Canadian, owing to its better colour, and commands a price £1 higher c.i.f. per ton, and to this must be added the 10 per cent duty. Californian meal is more finely ground.

Dried grass meal competes to some extent and appears to be making headway. Prices currently quoted are about £9 10s. to £9 15s. per ton. English dried grass is considered to be much finer, less fibrous and more highly coloured than Canadian alfalfa meal. It is not likely to compete so strongly this year as last, owing to a smaller crop.

Canadian meal from Ontario can compete, but it must be lower in price than the British, South African or Californian product. Prices quoted above should be regarded as approximate only.

Scotland

G. B. JOHNSON, CANADIAN TRADE COMMISSIONER

QUALITY DEMANDS

Alfalfa meal is bought on sample and the principal requirements are that it be of a bright but deep green colour, contain not more than about 28 per cent fibre content, and be finely ground. Long bits of fibre will not be tolerated, but if it is finely ground a large percentage of fibre content, even slightly exceeding the maximum mentioned, may be overlooked. There is no practice of analysing alfalfa meal to determine carotene and chlorophyll content; but, as

dried grass meal gains as a competing product, it is almost certain that price and carotene content of the two meals will be weighed against each other, and that samples of alfalfa meal will then be analysed for carotene content before purchase.

TRADE PRACTICES

Alfalfa meal is usually bought from overseas sources by importers of feedstuffs and sold by them to firms engaged in the manufacture and sale of prepared feeds. The best packing is in 112-pound bags, and Scottish importers can handle lots of 25 to 50 tons. Total Scottish consumption of alfalfa meal from all sources is estimated at about 1,500 tons per annum. Prices ruling at present are about £6 10s. per ton *ex quay*, including importer's profit, whereas dried grass meal costs the manufacturer about £8.

COMPETITION

Alfalfa meal is imported from California, Canada and South Africa. As to comparative quality of these three imported meals, it is difficult to form any judgment. Among four importers and users consulted there is complete disagreement as to the comparative order of merit of the supplying countries. One is forced to the conclusion that there can be little difference in quality, but the fact is that, due partially to tariff preference and partially perhaps to accessibility, Canadian meal holds the leading position in this market.

Dried grass meal is being experimented with, and if its carotene content proves higher than that of alfalfa, it may well displace the imported product to a certain extent. Alfalfa cannot be displaced entirely, and can always compete if price is sufficiently low.

Northern Ireland

E. ROY, OFFICE OF THE TRADE COMMISSIONER

QUALITY FACTORS

The trade requirements in alfalfa meal are that it be free from extraneous matter and finely ground, with as low fibre content as possible, and that it have a minimum protein content of 15 per cent and maximum fibre content of 25 per cent. Colour should be bright green. No specified carotene content is called for by the trade.

TRADE PRACTICES

Shipment to this market is generally in 5- to 10-ton lots. Terms are on the basis of cash against documents. Packing should be in 112-pound bags. Current price of Canadian alfalfa meal is £6 17s. 6d. per long ton, c.i.f. Belfast.

COMPETITION

The principal source of competition is California, but inquiries of the trade reveal that no Californian meal has been coming into this market for some time, quotations having proved too high. One importer states that a recent Californian figure received was £2 per long ton more than the Canadian offering at that time.

It is the opinion of the trade here that dried grass meal (or "meadow meal") will offer no serious competition to alfalfa meal until it can be produced very much more cheaply than at present. Present quotations appear to be even higher than those for Californian alfalfa meal.

POSITION OF CANADIAN MEAL

In the absence of competitive offerings of Californian meal, Canadian shippers are virtually in sole possession of the Northern Ireland market.

The market, however, is not a very extensive one. No official figures are available regarding imports of alfalfa meal but combined requirements reach approximately 80 to 100 long tons per annum.

Importers appear quite satisfied with their present Canadian business, and have no complaints to make as regards either quality or service.

JAMAICAN MARKET FOR POTATOES

F. L. CASSERLY, OFFICE OF THE TRADE COMMISSIONER

Kingston, Jamaica, September 10, 1938.—The consumption of potatoes in Jamaica is confined largely to the middle and upper classes of the population, who are numerically quite small. The reason for this restricted consumption is that Jamaica produces large quantities of yams, plantains, breadfruit, and other distinctively tropical vegetables which have become staple foods for the masses and are much cheaper than potatoes. The taste for the latter, however, appears to be slowly increasing.

A factor in the relatively high cost of imported potatoes is the high customs duty. Previous to December, 1927, the duties were, per 100 pounds, 7½d. under the British preferential and 10d. under the general tariff; they were then increased to 8s. 4d. and 16s. 8d. respectively, with the result that retail costs of both local and imported potatoes have considerably advanced. The object of increasing the duty was to stimulate local production of potatoes, and this has been achieved to some extent. Domestic potatoes retail at the same price (now about 2½d. per pound) as imported potatoes, which, besides customs duty, are liable to a package tax of 1s. per barrel or other container, irrespective of country of origin. The trade, therefore, is a luxury one and the peasantry, who comprise the bulk of the island's population, do not consume potatoes to any notable extent. Those who grow potatoes on their small plantations prefer to sell their produce.

IMPORT TRADE

In the calendar year 1937, imports of table potatoes into Jamaica totalled 1,199,652 pounds, valued at £4,631, of which Canada supplied 1,123,912 pounds (£4,303); Ireland, 38,440 pounds (£179); the United Kingdom, 27,250 pounds (£122); the United States, 10,000 pounds (£27); and Trinidad, the small remainder. Seasonal imports from Canada are now about due to arrive and, as usual, shipments will continue for six or seven months, after which the local crop will begin to come in. The demand for imported potatoes appears to have been somewhat reduced during the past couple of years, owing to increased local production.

TYPES IN DEMAND

Jamaica demands white table potatoes of Canada No. 1 grade, of medium size, i.e., from 3 inches to 3½ inches long and about 2 inches in diameter; large sizes are not favoured. Potatoes are shipped in wooden barrels containing not less than 160 pounds net on arrival; the barrel usually weighs about 20 pounds. The net weight of each container should be stated on the invoice, which must, as usual, be made out on the prescribed form, with combined certificate of origin and value. It is essential that imported potatoes shall arrive in good condition, as the trade is somewhat critical of quality, and the slightest evidence of damage gives rise to complaint, usually followed by a demand for adjustment between buyer and seller. Bags are unsuitable as containers, and their use is

quite exceptional. Barrels must bear the name or initials of the local importer in order to ensure identification, and it is also desirable that they should carry marks identifying the shipper.

BUSINESS METHODS

The import trade is done mostly through local agents working on commission, who canvass orders from wholesalers and retailers of foodstuffs. Lists of the principal Jamaican importers of potatoes and of local commission agents are on file at the Department of Trade and Commerce, Ottawa, and are available to interested Canadian firms on application (quoting file No. 26494).

LOCAL PRODUCTION

Table potatoes have been grown in Jamaica to a limited extent for many years. The acreage and output have fluctuated from year to year, but during the past cultivation has been notably increased. No statistics of acreage are available, but it is estimated that there are now about 500 acres under potato cultivation with an average yield in the neighbourhood of 3,200 pounds (equal to 20 barrels) per acre.

Local potatoes are put up in crates of 50 pounds and also in bags of 100 pounds. Seed, which yields a crop in from three to four months, is planted twice a year—that is in February-March and in September-October, though mostly in the former period. The crop is at its best between May and August.

Farmers usually estimate that one barrel of seed will yield about seven barrels of potatoes, and the local output is approximately 1,600,000 pounds, or 10,000 barrels, per annum. Jamaican potatoes are white in colour and average three or four to a pound.

SEED POTATOES

The demand for seed potatoes in Jamaica is increasing, following the development of local production. These cannot be satisfactorily produced in the island, as the climate is too hot. Seed potatoes are not separately classified in the Jamaican customs returns, but are included in the category "plant seeds and bulbs for propagation or cultivation." In the calendar year 1937 imports under this head were valued at £3,572, of which Canada supplied £2,283, the United Kingdom £685, the United States £457, and China, Colombia, Holland, and Venezuela the small remainder. Most of these imports consisted of seed potatoes which, it may be mentioned, come in free of duty and package tax, subject to certain conditions mentioned below.

The largest importer of seed potatoes is the Jamaica Agricultural Society, Kingston. This is a semi-official body supported by an annual grant from the Government and also by subscriptions of its members, who include large and small planters. The principal function of the society is the maintenance of a field staff for the instruction of the peasantry.

Seed potatoes are mostly imported during the period October to March. From Canada and the United States they come in wooden barrels of 160 pounds net; from the United Kingdom in wooden crates of 112 pounds net. Besides the society, there are a few private individuals and firms importing seed potatoes for sale to local farmers. The names of these importers are on record with the Department of Trade and Commerce, Ottawa.

GRADES AND SIZES

Burbank and Jackson were at one time the favourite grades, but supplies of these from abroad seem less plentiful than formerly. Irish Cobbler and Green Mountain are now in good demand; Bliss Triumph, Katahdin, Royal Kidney,

and Up-to-date are also used, though in smaller quantities. Seed potatoes should be about the size of a large hen's egg, clean, free from disease, and uniform in size. Green Mountain, however, are often much larger and usually are cut in pieces for planting. Canadian and Scottish seeds are considered to be sturdier and less liable to disease than American and are therefore preferred.

SHIPMENT AND PACKING

The local importer must first of all obtain from the Jamaican Department of Agriculture a written permit to import seed potatoes, and each shipment must be accompanied by a certificate stating that they are free from disease, furnished by the Department of Agriculture in the country of origin. On arrival, the seed potatoes must pass inspection by the Jamaica Government microbiologist. The written permit of the Jamaican Department of Agriculture is in the form of a label bearing particulars of the permit and the seal of the department. The labels are forwarded by the prospective importer to the supplier, who affixes one to each barrel or crate. This stipulation, however, is not rigidly applied to importations made by the Jamaica Agricultural Society; in their case the shipper may return the labels to the society by post. Subject to compliance with these provisions, seed potatoes may be imported into Jamaica free of duty, irrespective of country of origin.

THE UNITED STATES POTATO MARKET

R. G. C. SMITH, ASSISTANT TRADE COMMISSIONER

New York, September 9, 1938.—Since imports of Canadian table potatoes are dependent almost entirely on the relationship between the price of potatoes in Canada and the price of domestic potatoes in the United States, the volume of production in each country should give an indication of the probable future market in any one year. For seed potatoes other factors are in operation that tend to reduce the importance of the price ratio, although it is obviously not eliminated.

IMPORTS FROM CANADA

The following table, outlining the past history of this trade, is of value, therefore, as giving some statistical forecast as to the outlet that may be expected in the United States for the current Canadian crop. In this table imports for any one year are compared with production for the year previous in the United States and with Canadian production expressed in percentages of the 1931-36 average annual production. That is, the 1937 imports are compared with production in 1936, and so on throughout the table.

	Imports from Canada		Production		Canada Per Cent of Average
	Seed Bushels	Other	U. S. Seed 1,000 Bushels	U. S. Other	
1925-29	4,033,000		360,915		...
1931	550,385	3,838,135	6,730	333,842	111
1932	371,068	689,368	8,089	376,036	120
1933	494,471	609,124	6,921	369,504	91
1934	254,608	1,213,484	8,820	333,486	98
1935	111,091	237,491	10,460	395,645	111
1936	729,218	469,976	12,064	374,816	89
1937	783,933	281,705	11,111	318,886	91
1938	472,311*	18,309†	15,395	377,894	98

* January-July inclusive. † January-June inclusive—all countries.

DUTIES

In considering the foregoing it must be remembered that in June of 1930, the duty on all potatoes was raised from 50 cents per 100 pounds to 75 cents.

The latter rate remained in force until 1936 when, under the Canada-United States Treaty, the seed potato duty was reduced to 60 cents between December 1 and the last day in February, and to 45 cents for the balance of the year, up to a total of 750,000 bushels in any twelve-month period beginning December 1. Table stock continues to enter at 75 cents per 100 pounds.

DOMESTIC PRODUCTION

The latest available estimates of domestic production set the total at 385,515,000 bushels. Although this figure is slightly under that of last year it is well over the 1931-35 average of 379,068,000 bushels.

While the total production figures are of interest when considering the table potato trade, it is the production of the three late surplus-producing states of Maine, New York, and Pennsylvania that have a more direct effect on imports from Canada. The production of these three states for the last five years are compared with the estimate for 1938 in the following table:

	1933	1934	1935	1936	1937	1938
	Figures in 1,000 Bushels					
Maine	42,000	55,250	38,400	44,000	48,503	45,100
New York	24,600	32,550	27,830	26,400	28,375	27,250
Pennsylvania	21,357	34,000	25,536	26,268	25,215	23,160

The foregoing table explains in part some of the seeming inconsistencies of the first table, where production is aligned with imports. Thus, it is difficult to understand why table stock imports were not higher in 1937 following a low United States production in 1936, particularly when imports reacted in 1934 to the small domestic production in 1933. It will be observed, however, that in 1933 the Maine production was under that of 1936, although the total production in 1933 was considerably over that of 1936. In addition the 1934 imports were undoubtedly assisted by a near normal Canadian production in 1933, compared with a 91 per cent production in 1936.

A study of these tables reveals a rather depressing future market in the United States for imported table stock, except possibly in years when a pronounced subnormal production in the late surplus states coincides with a definitely reduced total production. The fact is that, no doubt fostered by the tariff protection afforded in 1930, the domestic production has been increased to take care easily of the demand. Acreage harvested for the six years prior to 1930, that is for 1924-29 inclusive, averaged 3,071,000; in the six following years (1931-36) it had reached an average of 3,437,000. Actually since the imposition of the duty the consumption of potatoes appears to have decreased on a per capita basis, averaging 3.08 bushels per year for 1924-29, as against 2.95 for 1931-36.

SEED POTATOES

Because of the preference for Canadian seed, particularly in Long Island, New Jersey and Florida, there is little doubt that, except for years of some extraordinary conditions, the quota of 750,000 bushels of seed stock admitted at the reduced duty will be filled. However, at the present rate of duty, in years of ample domestic production, particularly in years when the crop of certified seed in Maine is satisfactory, it would seem that there would be little opening for a higher quota.

Since Maine is the chief competitor of Canadian certified seed, the following figures of certified seed production in that state and in the whole United States, are of interest:

	1925-29	1933	1934	1935	1936	1937
	Average Figures in 1,000 Bushels					
Total U.S.A.	7,121	8,845	10,460	12,064	11,111	15,395
Maine	3,378	3,853	6,003	5,872	6,704	8,520

Apart from any other consideration this increase in the production of certified seed potatoes, since 1930, has altered the situation to a point where importations in heavy quantities at the present rates of duty can only be expected in years of severely reduced domestic production caused by disease or other uncontrollable factors.

UTILIZATION OF SEED QUOTAS

In both 1936 and 1937 the quotas were filled about the middle of November in each instance. This year, after a considerably increased production of seed in 1937, both in Maine and in the whole of the United States, the quota has been slower in filling, standing at 68·8 per cent at the end of July, compared with 81 per cent for the same period last year.

PROSPECTS

In spite of this slower movement it is felt the quota will be well taken up this year, and further, that the heavier expected movement for October and November should not reduce next year's shipments. No figures of the certified seed production for this year are available, and conceivably a heavy crop this year following the record production last season would hamper the utilization of the 1938-39 quota. Rumours of blight in Maine, however, indicate that there should be a good demand for Canadian seed in October, November, and in the early 1939 Spring.

On the other hand the outlook for table stock imports is not encouraging. Although forecasts indicate a slightly reduced crop compared with last year, the New York market is considerably weaker. Since August, prices have been consistently lower than for the corresponding period last year. Present wholesale market prices in New York, in less than carlot lots, for Long Island Cobblers are 70 to 80 cents per 100-pound sacks as against 80 to 90 cents last year, and 80 to 90 cents for Green Mountains compared with 95 cents to \$1 last year. This evidence of oversupply is further strengthened by the latest reports of the Federal Surplus Commodities Corporation, who, up to the beginning of September, in four weeks had bought 722 cars of New Jersey potatoes compared with 329 cars for 1937. In the face of such facts it is difficult to see how Canada can expect to ship much table stock, if any, to the United States from the current crop.

POTATO MARKETS IN CUBA AND THE DOMINICAN REPUBLIC

C. S. BISSETT, CANADIAN TRADE COMMISSIONER

Cuba

Havana, September 10, 1938.—Previous reports on the Cuban potato market published in the *Commercial Intelligence Journal* contained comprehensive basic information on the potato industry in this country with respect to volume and costs of production and limiting production factors; potato districts, types of soils, acreage return and varieties grown; irrigation and fertilization, government assistance to growers and supervision of seed imports; customs tariffs, trade agreements and various restrictive measures; history of imports and retail and wholesale distribution channels. The reports referred to above appeared in *Commercial Intelligence Journal* No. 1641 (July 13, 1935), No. 1160 (November 23, 1935), No. 1711 (November 14, 1936), and No. 1757 (October 2, 1937).

There has been very little change, since these reports were published, in the basic nature of the potato trade in this territory and the present report will deal

only with the past year and current market conditions. However, to obtain a complete picture of this trade the above reports must be read in conjunction with the present one.

PRODUCTION

There are two planting seasons in Cuba: that for Red Bliss starts about the middle of October and continues until around the middle of December, and that for white-type potatoes, such as Irish Cobbler and Green Mountain, starts about the middle of January and lasts until early March. The potatoes of each planting begin to appear on the market some three months after planting, the red beginning in early January and the white in late April and early May.

STATISTICS OF YIELDS

The following figures are for the complete crop year in each case, and cover Cuban production of potatoes up to and including the crop just harvested in the spring months of the present year. Final and detailed figures, similar to those for 1935-36 and 1936-37 are not available for 1937-38, as they will not be published this year by the Cuban Department of Agriculture until late in December.

Crop Year 1935-36

Province	Red Type		White Type		Total	
	Planted	Harvested	Planted	Harvested	Planted	Harvested
	Quantities in Barrels or Bags of 150 Pounds Net					
Pinar del Rio	1,213	9,984	155	490	1,368	10,474
Havana	106,971	815,866	9,456	44,933	116,427	860,799
Matanzas	7,285	59,387	.....	.....	7,285	59,387
Santa Clara	1,164	9,197	514	3,208	1,678	12,405
Camaguey	1,821	14,107	554	1,763	2,375	15,870
Oriente	7,890	31,464	612	1,836	8,502	33,300
Total	126,344	940,005	11,291	52,230	137,635	992,235

Crop Year 1936-37

Pinar del Rio	1,525	7,243	1,076	8,012	2,601	15,255
Havana	68,910	332,265	59,748	449,183	128,658	781,448
Matanzas	7,788	37,873	2,527	18,723	10,315	56,596
Santa Clara	3,778	18,239	683	5,071	4,461	23,310
Camaguey	5,728	26,782	3,269	24,155	8,997	50,937
Oriente	2,137	9,801	1,899	14,404	4,036	24,205
Total	89,866	432,203	69,202	519,548	159,068	951,751

Crop Year 1937-38

All Cuba.	124,109	744,654*	62,476	312,380*	186,585	1,057,034*
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* Preliminary official estimate.

Although Red Bliss seed potatoes are shipped to Cuba in barrels of 160 to 165 pounds and the white type in bags of 150 pounds net, the weight has decreased, by loss of moisture and culling, to an average of 150 pounds by the time they are ready and prepared for seeding. This loss is considerably greater in the case of Red Bliss than in that of white-type potatoes, because Red Bliss are shipped almost immediately after being harvested, sustaining thereby a greater relative loss of moisture and also greater damage because of their delicate skin than do white-type potatoes. This standard weight is, therefore, used in all production tables. Moreover, it is the standard weight seeded per cordel, which is an area roughly one-tenth of one acre (9.7 cordels per acre). The table following gives areas in Cuban caballerías, which are equivalent to 324 cordels and roughly

to 33.4 acres. The number of bags of 150 pounds net planted per caballería is therefore 324. The two tables, combined, should give an accurate picture of the various phases of production in this country.

The return for the 1936-37 crop year showed a 4 per cent decrease from that for the previous year. The loss in yield occurred chiefly in the two main potato-growing provinces, Havana and Matanzas, where the outturn, in spite of considerably increased volumes seeded as compared with the preceding year, fell considerably below the volume produced in 1935-36. This was due almost wholly to an unusual lack of rainfall during the growing season for the white-type potato in the spring months.

In contrast to the 1936-37 crop year, that for 1937-38 showed considerably larger yields for red-type potatoes and smaller ones for the white type. The latter was due to the long continued drought in most of the eastern half of the island and to an almost complete lack of rainfall in the western half during the white potato growing season. This was particularly true of Havana province, which is the principal potato-growing area for all Cuba.

A considerably greater volume of potatoes was sown during the 1937-38 season than during any other on record. This increase, however, was confined to the red type. It amounted to 38 per cent of the quantity sown during the previous crop year. The total number of bags of both types harvested also increased by 11 per cent over the previous year.

Some interesting figures covering the areas planted to potatoes in each province, the yield per barrel of seed sown and per caballería, have been obtained from the Cuban Department of Agriculture covering the last two crop years. These are as follows:

Crop Year 1936-37

Province and Type	Area in Caballerías	Yield in Bbls.		Total Area in Caballerías	Total Yield in Bbls.	
		per Bbl.	per Caballería		per Bbl.	per Caballería
Pinar del Rio Red	4.71	4.74	1,538}	8.03	5.86	1,900
White	3.32	7.44	2,412}			
Havana Red	212.69	4.82	1,562}	397.09	6.07	1,967
White	184.40	7.51	2,435}			
Matanzas Red	24.02	4.86	1,575}	31.83	5.48	1,777
White	7.81	7.40	2,400}			
Santa Clara Red	11.66	4.82	1,564}	13.77	5.22	1,693
White	2.11	7.42	2,405}			
Camagüey Red	17.68	4.67	1,514}	27.77	5.66	1,834
White	10.09	7.38	2,394}			
Oriente Red	6.60	4.58	1,485}	12.46	5.99	1,943
White	5.86	7.58	2,457}			
Total for Cuba . . . Red	277.36	4.81	1,558}	490.95	5.98	1,938
White	213.59	7.51	2,432}			

Crop Year 1937-38

Total for Cuba Red	383.05	6.00*	1,946}	575.88	5.66	1,835
White	192.83	5.00*	1,620}			

* Preliminary estimate.

FACTORS AFFECTING PRODUCTION

The average yield in each province of red-type potatoes per bag sown is uniformly low. In no case did it reach a five-fold increase in the 1936-37 crop year, and the yield given for 1937-38 is only a preliminary estimate. The increment in the case of white potatoes in the 1936-37 crop year was considerably better than in the red in either year. In seasons of normal rainfall it would be still greater. However, it is doubtful if the combined average yield of both types for the whole country would be considered a satisfactory outturn in Canada or the United States. Certain areas give much better yields than others and, by

employing better farming methods, the areas of comparatively poor potato soil could be made to produce appreciably more than they do now. Undoubtedly also, potato cultivation is still carried on in certain marginal lands which, previous to the depression, were used for export crops much better suited to that particular soil.

When markets abroad for such crops contracted sharply a few years ago, growers were encouraged to produce potatoes to supply from domestic sources the normal demand previously filled by imports. For that purpose, protection was accorded the potato farmer through considerably increased customs duties, which still persist and are likely to continue for some time. Nevertheless, the comparatively poor return from potato crops on these marginal lands is likely, in time, to force them to return to the cultivation of those products produced previous to the depression and for which there are now much better markets abroad. The potatoes produced on poor potato lands and by indifferent methods of cultivation reduce considerably the average yield for both potato types for the whole country. However, a better idea of possible yields in Cuba may be obtained from the following figures, covering the costs of producing potatoes in the 1936-37 crop year on a series of potato farms in Havana province, where up-to-date cultivation methods, proper amounts of fertilizer, and scientific handling generally were employed.

COSTS OF PRODUCTION

These costs are calculated on the basis of one bag of seed planted and harvested. The red-type potato was estimated to have yielded seven bags of 100 pounds each per bag sown. Cuban potatoes are marketed in 100-pound bags. Excluding any allowance for land rental, the following were the items of cost at the farm: seed, \$6; new bags, \$0.70; fertilizer, \$3.50; labour, \$3.50; irrigation and insecticides, \$1; total, \$14.70.

The white-type potato was estimated to have yielded nine bags of the above weight per bag sown. Similarly, the various items of cost were: seed, \$4.40; new bags, \$0.90; fertilizer, \$3.50; labour, \$3.50; irrigation and insecticides, \$1; total, \$13.30.

One 200-pound bag of fertilizer is the standard requirement per bag of seed planted, although a great many farmers use only a half-bag of fertilizer, thereby reducing their costs but reducing the yield as well. Some saving is made at times by using second-hand bags for direct sales to the produce markets, but sales to dealers for storage must be in new bags.

During the high customs duty period (explained under "Duties" below), the selling price of Cuban potatoes at the farm was as high as \$3 per bag of 100 pounds and \$3.20 delivered at market or dealer's warehouse. However, at the beginning of August current prices were \$2 for red and \$1.80 for white per bag at the farm. On this basis there was a direct loss to the farmer on red-type potatoes of \$0.70 per bag sown and a profit on white of only \$2.90 on the same basis. The low-duty period commenced on July 1, which forced down local prices accordingly. The Cuban crop is now almost exhausted.

The higher cost of red seed is explained variously by its normally higher price at ports of export to Cuba, premiums paid for early season deliveries, higher cost of the container (barrel versus bag), and excess railway and ocean freight, cartage, and handling charges payable upon shipments in barrels. It is estimated locally that the barrel used for shipping red potatoes, when packed ready for export at the farm, costs a minimum of \$0.60 more than does the bag used in exporting the white variety. The remaining difference is accounted for by the other factor mentioned.

The yields shown above are somewhat below the average yields for either Havana province or the whole of Cuba, as shown in the foregoing table. This was due mainly to disease, which reduced the crop considerably.

In the majority of cases, no record of costs or profits is kept by the Cuban potato farmer. Normally, he does not figure the cost of labour as a production expense. If he and his family are able to live in the customary manner through the potato season and sell the crop at the end of it for more money than he has expended, he considers that he has made a profit on the season's operations in addition to maintaining himself and his family during the period in question.

IMPORTS

The imports into Cuba of edible and seed potatoes for 1935, 1936, 1937, and the first six months of 1938 are as follows:

	From United States			From Canada			From both Countries		
	Edible	Seed	Total	Edible	Seed	Total	Edible	Seed	Total
1935—									
Kilos.	32,022,098	697,861	32,719,959	10,500	8,364,423	8,374,923	32,032,598	9,062,284	41,094,882
\$	777,673	33,040	810,713	223	322,953	323,176	777,896	355,993	1,133,889
1936—									
Kilos.	18,519,844	370,858	18,890,702	.....	10,019,938	10,019,938	18,519,860	10,390,796	28,910,656
\$	704,122	18,386	722,508	.....	474,086	474,086	704,130	492,472	1,196,602
1937—									
Kilos.	19,500,982	611,900	20,112,882	.....	10,071,664	10,071,664	19,500,982	10,683,564	30,184,546
\$	389,189	27,324	416,513	.....	400,523	400,523	389,189	427,847	817,036
Jan.-June, 1938—									
Kilos.	21,930	205,474	227,404	.....	3,972,366	3,972,366	21,930	4,177,840	4,199,770
\$	552	6,702	7,254	.....	100,239	100,239	552	106,941	107,493

NOTE.—In 1936 a total of 16 kilos of potatoes valued at \$8 was imported from countries other than the United States and Canada.

Although only 186,585 units are shown as having been planted in the 1937-38 crop year, a total of 190,566 units was imported under licence. The difference is due to 3,892 barrels of red-type and 83 bags of white-type potatoes having been held over for sale and planting during the coming crop year. The comparative popularity of the various varieties is shown by the following résumé of the import licences issued by the Cuban Department of Agriculture in the past crop season: Bliss Triumph, 128,001 barrels of 165 pounds; Irish Cobbler, 31,702 bags of 150 pounds; Green Mountain, 27,208 bags; Katahdin, 3,055 bags; Never-Rot, 500 barrels; White Bliss, 100 barrels.

The effect of the high customs duties imposed on September 1, 1934, has been to exclude entirely from the market all Canadian table potatoes. However, the trade in seed has been retained, since these enter duty-free, the Canadian product being favoured by local growers. Although Canadian table potatoes are again assessed under the Cuban minimum tariff rate, it is not expected that they can be sold in competition with table potatoes of United States origin, since the difference in customs duties payable between the two is still too great.

CURRENT PRICES

All of the Cuban potatoes from the last crop have already passed into consumption except small stocks unsuitable for the purpose. These will be utilized partly as feed for animals and partly as seed for the next crop by some of the more unprogressive farmers. Table potatoes from the United States now dominate the market and will continue to do so until the first Cuban crop is available in early January.

Current prices for United States table potatoes, almost wholly Irish Cobblers from New Jersey, on the basis of c.i.f. Havana, including agent's selling commission of 5 cents per bag, and packed in new bags, are quoted: No. 1 grade \$1.25 and No. 2 grade \$0.85 per 100-pound bag.

EXPORTS

Cuba is not usually credited with being able to export potatoes, but beginning in 1934 a small export of Red Bliss to the New York market commenced.

The harvesting of this variety begins early in January, but only a small part of the total crop is exported. This movement to the United States continues until the Florida crop becomes available in late February and early March. The total exports in 1934 amounted to only 600 kilograms valued at \$34, but in 1935 this had grown to 1,085,878 kilos valued at \$43,892, the whole of which was shipped to the United States. In 1936, out of a total export of 1,151,350 kilos (\$50,562), the United States absorbed 1,127,200 kilos (\$50,037), and Panama took the remainder, 24,150 kilos (\$525). In 1937 the total shipped abroad was only 692,834 kilos valued at \$28,833. Of this amount, 682,484 kilos (\$28,608) went to the United States and 10,350 kilos (\$225) to Panama.

The reason for the large export decrease was, of course, the poor crop of red-type potatoes harvested early in 1937, the only ones which enter into the export trade. For the first six months of 1938 the total exports amounted to 586,080 kilos valued at \$20,876. This will also be a poor export year, as only a negligible volume will be added to the above figures by the end of December. These figures represent practically the full calendar year's exports. Of the quantity shown, 571,400 kilos (\$20,506) went to the United States and 14,680 kilos (\$370) to Panama. As in 1937, the supply of red-type potatoes harvested was insufficient to supply current needs, considering the prospect of drought during the white-type potato-growing season, and still permit exports on the 1936 scale.

VARIETIES OF SEED IN DEMAND

On July 3, 1937, the variety "Katahdin" was added by the Cuban Department of Agriculture to those varieties of seed potatoes which previously were permitted to enter Cuba free of duty for seed purposes. The varieties at present accorded free tariff treatment are: Bliss Triumph, Green Mountain, Irish Cobbler, Presidente (Never-Rot), Katahdin, and White Bliss. The first-named is most favoured for the late-autumn planting and the second and third for the early-winter planting.

CUSTOMS DUTIES AND IMPORT REGULATIONS

Seed potatoes may be imported free of customs duties from any country, but only during the period September 1 to January 31 and only under a bond provided by the importer. Table potatoes imported from July 1 to October 31, inclusive, are assessed, per 100 kilograms gross weight, as follows: maximum tariff \$8, minimum tariff \$4, tariff to United States \$2; and from November 1 to June 30, inclusive, maximum tariff, \$10, minimum tariff \$5, tariff to United States \$4. Canadian table potatoes for the two years previous to April 11, 1938, were assessed under the maximum tariff. On that date they were accorded, for a period of one year, the minimum tariff.

Shipments of seed potatoes must be accompanied by consular and commercial invoices, and two official certificates issued by the Canadian Department of Agriculture. The first certificate, which bears a number, states that the potatoes are suitable for seed and are in good sanitary condition; it also gives the quantity, variety, and grade of seed, the name and place of the exporter, and the signature of the inspector. The second certificate, signed by a Canadian Government inspector, gives the quantity, variety, and grade of seed, the name and place of the exporter, and the value of the shipment with inland and ocean freight specified. These two certificates, the consular invoice, and the bill of lading must be viséd by a Cuban consul. Attached to each sack or barrel must be a label issued by the Canadian Department of Agriculture, which identifies the contents with the documents. The label must state the variety, the grade, the number which the first certificate carries, the lot number and letter, the average net weight, and the grower's name.

Dominican Republic

There is a very limited market in the Dominican Republic for both seed and table potatoes; because of a gradual increase in local production in recent years the import trade in this commodity seems to be disappearing. Recent customs tariff increases may be said to be the basic cause of this tendency. However, at no time was the potato of any particular importance as an import commodity, the maximum quantity brought into the country in recent years not having exceeded some 950 to 1,000 tons. These figures apply to the period when there was practically no domestic production.

The population of the republic is small and the demand for potatoes would be limited accordingly. Moreover, the competition from tropical fruits and vegetables, which serve the same dietetic purpose as the potato and which have been standard constituents of the diet of the people of the republic for a great length of time, added to its comparatively high cost, limit potato consumption to the upper classes mainly. The farming population and the poorer urban classes are not able to afford potatoes except at irregular intervals and as a comparative luxury.

PRODUCTION

The main potato-growing districts in the republic are: San Juan de la Maguana, Hato Mayor, El Seybo, San Cristóbal, and San Francisco de Macorís.

The usual planting season is from November to December. Many growers endeavour to plant their crops in October, but there has always been difficulty in obtaining imported seed of the preferred varieties, especially those from Canada, so early in the year, with the result that the principal seeding activity takes place in the later months. Marketing of the crop commences in January and continues well on into September. Hitherto all locally grown potatoes were exhausted by that time, but with increasing production it appears likely that the domestic product will now be available during much the greater part of the year.

Seed imports are confined almost entirely to the two varieties Irish Cobbler and Green Mountain, from which the highest yield per unit of seed planted is apparently obtained.

No information is available as to the acreage under potato cultivation, as the Department of Agriculture does not publish these statistics, nor is it possible from the amount of seed imported to estimate with any degree of accuracy the area normally planted, since seed imports have decreased to a marked extent during the last three years.

Similarly, the total volume of potatoes produced annually cannot be given, no figures being available, but an authoritative estimate by a British firm in Ciudad Trujillo, closely connected with the potato trade, indicates a total production in 1935 of 10,000 bags of 50 kilos each (500 metric tons) and 15,000 bags (750 metric tons) in 1936. To offset this considerably increased crop in 1936, there was a marked decrease in imports in that year.

The estimated production in 1937 is placed at 16,000 bags, somewhat higher than the yield for the previous year. This was also accompanied by an increase in imports, although such increase was mainly in seed potatoes rather than in the edible type.

PRODUCTION COSTS

Costs of production are similarly not available. Potatoes are grown chiefly by the peasant type of farmer, who keeps no record of costs and, as such items as land rental, costs of labour, fertilizer, cartage, etc., vary in every district, no estimate of any real value can be given. Yield per unit of seed planted is likewise variable, due to climate, types of soil, etc., but the average runs from 6 to 7 per unit sown.

The production of potatoes in the Dominican Republic, in an effort to supply the whole of local needs, really started only in 1935. In that year the Internal Revenue Tax on imported potatoes was raised from 1 cent per kilo net to 5 cents. The result was a heavy reduction in imports and a large increase in domestic production, with an interval during which consumption decreased, due to the high cost of the imported product.

IMPORTS

Seed and table potatoes are not separately classified in the statistics of imports, and there is no means of verifying accurately the importance of each in the import trade. However, the estimate of the above-mentioned firm places the seed imports in 1935 at 1,500 barrels of 165 pounds each, net (about 124 short tons), and in 1936 at only 200 barrels (about 17.5 short tons), which forms evidence of a tendency to use locally grown potatoes as seed in that year for use in the 1936-37 crop. It is doubtful if this policy can be maintained. Potatoes grown in Cuba, when used as seed in the succeeding year, never give as good a yield as would have been obtained from the same variety of imported seed. It has been fully established that northern potatoes degenerate in this climate, and there can be little doubt that they will also degenerate in the Dominican Republic, where climatic conditions are so similar to those in Cuba. It seems likely, therefore, that the import trade in seed will have to be continued even though the republic may become self-supporting at a later date in table potatoes. This is borne out by the estimate of the seed imported in 1937 for the 1937-38 crop, which is placed at 200 metric tons, a figure considerably higher than any in recent years.

However, the Government of the Republic is giving encouragement to the production at home of suitable seed potatoes. These experiments are being carried on in the district of Constanza and a few others with similar climatic conditions. For the last crop some 200 quintals of approved seed were distributed to selected growers for this purpose.

The total imports for the period 1931-37 are as follows:—

	United States	Canada	Other Countries	Totals
1931.. . . . .Kilos	578,910	319,023	...	897,933
\$	13,252	7,245	...	20,497
1932.. . . . .Kilos	705,378	147,463	500	853,341
\$	17,374	3,561	19	20,954
1933.. . . . .Kilos	368,174	320,421	250	688,845
\$	12,893	10,629	12	23,534
1934.. . . . .Kilos	452,309	176,733	54	629,096
\$	10,215	2,980	1	13,196
1935.. . . . .Kilos	99,812	234,130	...	333,942
\$	2,627	4,498	...	7,125
1936.. . . . .Kilos	23,007	73,832	...	96,839
\$	1,095	2,925	...	4,020
1937.. . . . .Kilos	67,904	213,581	66	281,551
\$	2,939	8,124	1	11,064

ANNUAL CONSUMPTION

The total annual consumption of potatoes, including seed requirements, up to the 1936-37 crop year, average close to 850 metric tons. No official figures can be cited in support of this estimate, but the addition of the imports to the estimated yearly domestic production totals 834 tons in 1935 and 847 tons in 1936. Before there was any potato production of any account in the republic, records show the average annual importation to have been somewhat less than 800 tons. This allows a small margin for increase in population. However, the similar total for 1937-38 amounts to 1,081 metric tons, which can only be reasonably accounted for by an overestimate of the tonnage produced in that season.

or by considerably increased consumption. The latter may conceivably be the true explanation, since the normal trend in industries producing a commodity formerly wholly imported is a more widespread use of it by the resident population.

PRICES AND PACKING

The standard packing is in bags of 50 kilograms. Prices for white potatoes vary from \$1.75 per bag when the harvest is in full swing to \$5 per bag towards the end of the season. This year's quotation started out at the beginning of the season at \$4 per bag and at the end of June was \$3.20 per bag. Supplies on that date were almost exhausted. Small red potatoes average from \$1.50 to \$3, according to the supply available. This crop follows the white crop and it is grown from locally produced seed. Most of the output is of small size, as it receives little cultivation, growing wild in the mountains as a rule. Due to lack of proper storage space, the farmer is seldom able to hold his crop off the market long enough to obtain the advantage of the rise in prices towards the end of the season. (The currency quoted is the dollar, which is equivalent in value to the Canadian dollar.)

CUSTOMS DUTIES

The basic customs duty on potatoes, both seed and table, is \$1 per 100 kilos net. In addition, there is an internal revenue tax payable on imported potatoes of 5 cents per kilo net, which when added to the basic duty gives a total customs impost of \$6 per 100 kilos net. Consular invoice fees are 4 per cent of the f.o.b. steamer value. Up to the beginning of 1937 seed potatoes were permitted duty-free entry provided they were consigned to the Department of Agriculture, but this concession was withdrawn at that time, and seed potatoes are at present given exactly the same treatment as table potatoes for immediate consumption.

Previous to March, 1935, the internal revenue tax was only 1 cent per kilo net instead of the present 5 cents. Undoubtedly, the present threefold duty impost was largely responsible for the marked drop in imports during 1936 and the consequently much greater domestic production in 1936-37 from locally grown seed.

IMPORT REGULATIONS

All shipments of potatoes must be accompanied by a health certificate issued by the Department of Agriculture of the exporting country, certifying that they are free from disease of any kind and from contamination by the potato beetle. Potatoes not covered by such a certificate must be re-exported or destroyed at the expense of the exporter. Consuls of the republic have been instructed not to visé documents covering potato shipments unless the necessary health certificate be presented with the documents themselves. In addition, all seed potatoes must be certified as such by the Department of Agriculture of the exporting country.

MARKET FOR POTATOES IN HAITI

F. L. CASSERLY, OFFICE OF THE TRADE COMMISSIONER

(One gourde equals \$0.20 U.S. currency; one kilogram equals 2.2 pounds)

Kingston, Jamaica, September 10, 1938.—Although its population is at least twice as large as Jamaica's, Haiti's annual imports of table potatoes are slightly more than one-third those of the British colony. In Haiti, as in Jamaica, tropical fruits and vegetables are grown in wide variety and considerable abund-

ance by the peasantry, for whom they are staple foods, being invariably cheaper than imported potatoes.

IMPORTS OF TABLE POTATOES

The trade in the latter shows some decline during the past five years. In the fiscal year 1931-32 imports of table potatoes totalled 488,696 kilograms, valued at 117,500 gourdes; in 1932-33, 329,520 kilograms (81,479 gourdes); in 1933-34, 228,034 kilograms (71,423 gourdes); in 1934-35, 249,840 kilograms (61,910 gourdes); in 1935-36, 226,065 kilograms (69,816 gourdes); and in 1936-37, 231,789 kilograms (68,628 gourdes). Of the imports in 1933-34, Canada supplied 52,864 kilograms; of those in 1934-35, 26,712 kilograms; of those in 1935-36, 80,816 kilograms; and of those in 1936-37, 95,118 kilograms. The Haitian fiscal year ends on September 30.

The remainder of the imports in each of the periods mentioned came mostly from the United States, shipped from New York. Unlike the British colonies in this part of the world, Haiti has no direct shipping communication with Canada; hence shipments of Canadian potatoes must be routed via New York, an obvious disadvantage in the case of such perishable goods. Besides, Canadian potatoes have tariff preference in the British colonies, but not in Haiti.

DUTIES AND PACKING

The duty, irrespective of country of origin, is 0.12 gourde per net kilogram, equal to slightly more than 1 cent per pound. There is a surtax of 20 per cent of duty, effective as from December 1, 1937. The standard wooden barrel of 160 pounds net is the usual container, and the trade, which is essentially a luxury one, is done in relatively small parcels by a number of retailers of food-stuffs. A list of these dealers is on file at the Department of Trade and Commerce, Ottawa, and is available to interested Canadian exporters on application, quoting file No. 26494. The large Haitian merchant houses do not as a rule handle potatoes.

Shipments of table potatoes entering Haiti must be accompanied by a sanitary certificate, signed by a qualified agent of the government of the country of origin, attesting that the potatoes are free from infectious diseases and noxious insects, or that they were not grown in fields infested by such diseases or insects. The trade demands "Nos. 1 and 2" sizes, otherwise known in Haiti as "large and medium" and corresponding roughly with "Canada No. 1." "Canada No. 1 Small," and "Canada No. 2."

SEED POTATOES

This is a small trade, and probably does not exceed 100 barrels of 160 pounds per year. Imports are not separately classified, and no statistics are available. As in nearly all tropical countries, seed potatoes cannot be satisfactorily produced in Haiti. The small volume of imports appears to indicate that local production of table potatoes is inconsiderable.

Imports must be accompanied by a sanitary certificate, as in the case of table potatoes. Bona fide imports of seed potatoes invoiced and verified as such are free of duty. The principal importer is the Government Agricultural College, Damien, Port-au-Prince.

INDIAN MARKET FOR CANNED FRUITS AND VEGETABLES

PAUL SYKES, CANADIAN TRADE COMMISSIONER

(One rupee equals approximately \$0.36 Canadian)

Calcutta, August 19, 1938.—India is a comparatively unimportant market for canned fruits and vegetables. Of the business available, however, Canada's share has to date been much smaller than it might have been. The following suggestions may be of value in enabling larger exports of such goods to this country than have yet been recorded.

MARKET EXTENT

It is only a small proportion of India's vast population that offers a market for canned fruits and vegetables. These goods are much too costly to be purchased by the average Indian peasant or worker. The demand is accordingly restricted to a relatively small number of Indians, mostly resident in the larger cities, and to the European population, which numbers at the most some 250,000 persons.

As distinct from several other markets, the demand for canned fruits and vegetables in India is greatly restricted by the availability of large stocks of fresh products of domestic origin. Fruits and vegetables of good quality are grown in many parts of India and are to be had in considerable variety in all principal markets throughout practically the whole of the year. The wide variation in climatic and soil conditions from the plains of Bengal to the slopes of the Himalayas permits of a year-round trade in many standard types of both fruits and vegetables.

IMPORT TRADE

Indian trade returns present a rather indefinite picture of the import of canned fruits and vegetables. They include an item for "canned or bottled fruits," under which imports for recent years have averaged slightly over Rs.1,000,000 (Can.\$400,000) and amounted to Rs.1,211,598 during the fiscal year 1937-38; but they do not contain any itemized record of the canned vegetable trade. The latter goods are lumped together with all miscellaneous types of canned or bottled provisions in an item for which import values average about Rs.3,750,000 per year. Of this amount it may be estimated that canned vegetables make up approximately one-fifth. It would accordingly appear that total imports of canned fruits and vegetables into India in a normal year may be valued at Rs.1,500,000 to Rs.2,000,000, the rough equivalent of Can.\$750,000.

In the case of canned fruits, the United States is the largest supplier, followed by the Straits Settlements and the United Kingdom, the respective percentages of the total trade in 1936-37 having been 35, 23, and 13. Australia and Hongkong were the only other sources from which any appreciable quantities were drawn. The business in miscellaneous canned provisions, including vegetables, is largely in the hands of United Kingdom exporters, other leading participants being the United States, Australia, France, and the Netherlands.

IMPORTS OF CANNED FRUITS AND VEGETABLES FROM CANADA

Canada plays a minor part in the trade in canned fruits and vegetables throughout India. There is no record of canned or bottled fruits of Canadian origin having been imported into this market, although some business in these goods is known to have existed. Imports of miscellaneous canned or bottled foodstuffs from Canada, apart from jams, jellies, pickles, condiments, etc., amounted in 1936-37 to Rs.15,649 (about \$6,000), at which figure they were less

than during the four previous years, and particularly 1932-33, when their value was Rs.37,710 (about \$15,000). In comparison with the total annual values noted above, these figures are so small as to be negligible.

The principal reasons for Canada's limited participation in this business are as follows:—

1. Competition from the United States.
2. Lack of preferential tariffs.
3. Failure of exporters to appoint competent agents.
4. Reluctance of exporters to assist representatives in giving effective introduction of new lines to the market.

Reference to these points is made in other sections of this report.

LOCAL PRODUCTION

The fruit and vegetable canning industry in India is as yet a very small one. Due to a limited demand and, to an even greater extent, to the difficulty of competing with imported products, there has been very little interest in the development of this industry. Several plants have undertaken the production of canned mangoes, lichees, guavas, and patol; but the total value of such production is small, although improved exports of canned mangoes have been reported. Pineapples have also been prepared in tins, but competition from canning plants in and about Singapore has led to a discontinuance of that branch of the industry.

INDIAN TARIFF ON CANNED GOODS

Item 20(2) of the Indian customs tariff provides for a general tariff rate of 30 per cent ad valorem on imports of "fruits and vegetables, canned or bottled." This rate applies to imports from Canada and all countries with the exception of the United Kingdom and British colonies, imports from which are dutiable at 20 per cent ad valorem.

REPRESENTATION

Canned fruits and vegetables are essentially a line that will be sold through commission agents. This results not only from wide variety in the types of the goods themselves and divergent tastes, which are evident in individual markets and market divisions, but also from the necessity of selling them through many dealers, and the reluctance of such firms to hold large quantities in stock. As a rule, therefore, exporters are represented in India by one or more agents who maintain offices in the principal business centres and who indent for their various connections.

Purchases by import merchants are exceptional. The outlay involved is a large one and stocks may deteriorate in quality as well as in appearance, owing to the severe heat and humidity of the average climate in India.

A list of merchants and agents engaged in or interested in the import of canned fruits and vegetables from Canada may be obtained upon application to the Director, Commercial Intelligence Service, Ottawa.

DISTRIBUTION

The distribution of imported canned fruits and vegetables throughout the Indian market will normally be in the hands of the agent or agents of the manufacturer or exporter. In most instances such firms will indent for their various dealers but in some cases they will carry limited stocks of staple lines for the convenience of their clientele and to facilitate the development of new business. These stocks may be held on consignment from the manufacturers or on an

extended credit basis. In the main ports of Bombay, Calcutta, Karachi, and Madras, where the bulk of the trade in these goods is carried on, it is expected that agents will maintain their own offices and warehouses or will have the services of competent sub-agents. The former will be expected to cover all local dealers, including those who specialize in up-country business, and they will also be required to cover the more important inland market centres such as Delhi, Lahore, Bangalore, Lucknow, etc.

ADVERTISING

Canned fruits and vegetables need not be extensively advertised in India. To introduce or re-establish a line to popular favour, however, limited and judiciously planned newspaper advertising, window and counter displays, and possibly some distribution of samples to leading buyers should be considered. The expense of a campaign of this type should be assumed by the exporter. Once a reasonable volume of sales has been attained, regular expenditure on advertising may be dispensed with or left to the discretion of agents or distributors, although additions to the line, alterations in quality, and similar features should still be made the subject of some form of sales publicity.

Close co-operation with agents in connection with advertising will be desirable at all times. It should also be borne in mind that expenditure on advertising not only may make higher prices obtainable but will also invariably secure the goodwill of dealers, and that, in its absence, business may be very difficult to obtain.

PRICES AND SELLING TERMS

Canadian exporters of canned fruits and vegetables will find, as a general rule, that their prices will have to be competitive with those of United States exporters before business can be secured. Even so, they will frequently find that the excellent appearance of United States products, quite apart from the flavour or other inherent qualities of Canadian makes, will necessitate occasional price concessions or the granting of other inducements to buyers until a brand has become established.

Prices on Canadian canned goods are, as a rule, fairly well in line with those of competitors. At the same time, with no special inducements to take up a line that may be of restricted variety, the offers made by exporters to local connections have frequently been of less interest than those from other sources.

As far as terms of payment are concerned, the most common will provide for payment against documents or within two months from the date of presentation of drafts. Exporters must adhere to their normal export practice in this connection and should insist on their agents declining orders from dealers whose standing may in any way be subject to question.

Examples of retail prices of typical lines of canned fruits and vegetables in Canadian currency are as follows:—

	Size	Cents
Fruit salad, Australian	2½ tin	53
Fruit salad, United Kingdom	1 tin	30
Fruit salad, Californian	1 tin	33
Fruit salad, Californian	2½ tin	57
Peaches, Australian	1 tin	23
Peaches, Californian	1 tin	21
Apricots, Australian	1 tin	21
Apricots, Californian	1 tin	28
Asparagus, white, Californian	2½ tin	53
Petit pois, French	10-oz. tin	23

It should be noted that the foregoing figures include import duties and all other charges.

BRANDS AND VARIETIES

Among the principal brands and makes now enjoying wide distribution in the Indian market are those of several United Kingdom manufacturers, three Californian packers, and one Australian fruit-canning firm. There are also several lines of French and Belgian peas and both Hawaiian and Singapore pineapple.

The canned fruits which find most favour in the market are fruits for salad, peaches, pears, apricots, and berries, while among vegetable lines asparagus and peas are in principal demand.

Preference for qualities depends on the clientele of individual retailers and varies from average to high grades. Inferior qualities generally meet with little demand.

DOCUMENTATION

Shipments of canned goods to India need be accompanied only by invoices and bills of lading, although insurance policies, packing lists, and other papers may be provided. No certificates as to manufacture or inspection need to be supplied. Instructions from agents should be strictly observed and all care taken to ensure arrival of necessary documents well in advance of the goods themselves.

PACKING

Shipments of canned goods for India must be proof as far as possible against damage from severe climatic conditions. The tins used should be of thoroughly rust-proof metal, and labels should be well enough finished to prevent deterioration in appearance and should be applied to the tins with glue or other material which will resist extreme heat and moisture.

Packages should preferably be of wood and interior packing of a type which will not absorb moisture. Fibre containers should only be utilized with the consent of agents or consignees. All cases should be securely strapped to prevent breakage or pilferage.

MARKING

Except that labels be clear and generally as attractive as possible, no unusual attention need be given to marking canned fruits and vegetables exported to India. When alternative labels are available, these should be submitted to agents for allocation among their dealers or for the selection of one under which all orders will be supplied.

The inclusion of an agent's name on labels will not generally be necessary, but such cases must be decided according to particular circumstances. Various United Kingdom exporters supply their Indian representatives under the latter's name and label, but this practice is usually confined to luxury lines in which the business is very small.

It need only be noted further that the usual indications as to the manufacturer, country of origin, and a true description of the goods and their grade need be given on labels and packages.

SAMPLES

In commencing business in canned fruits and vegetables in the Indian market it will be desirable for manufacturers to offer to provide a reasonable supply of samples for examination and testing, since distributors or dealers will not lay out any money on orders until they have satisfied themselves that labels, pack, and quality are suitable for local conditions. It will also be of value, in obtaining the active co-operation of new connections, to quote special terms on initial shipments. If this market were larger or were in process of active development, such action would normally be unnecessary, but under present conditions little progress can be expected except when a good article can be quoted at

attractive prices and when definite encouragement is offered to agents and retailers.

CLAIMS

With transshipment at United Kingdom ports, Hongkong, or elsewhere en route frequently inevitable, and on account also of rough handling of cargoes at Indian ports, claims for loss, breakage, and other damage are common. When effecting insurance, exporters are recommended to obtain as complete cover as possible. They will gain in the long run by paying larger premiums rather than by meeting the claims of consignees for breakage and other damage. Responsible agents may be allowed a fixed percentage of the value of any shipment for immediate settlement of claims, but valid proof of loss or damage should be required in all such instances.

CURRENT TRADE TENDENCIES

The high price of canned fruits and vegetables in India has in itself led to a comparatively limited market for these goods. This has been accentuated by extended production within the country of good-quality fresh fruits and vegetables, which are to be purchased in the bazaars or, in some cases, through standing orders with European and Indian fruit farms or market gardens. The prices for fresh stock are, of course, much lower than those for imported canned products. An equally important factor is the rapidly developing trade in cold storage fruits and to a similar extent in vegetables. Fruits are imported from many countries in refrigerated space, stored in the main Indian ports in up-to-date warehouses, and can be shipped by rail or other routes, packed with dry ice or by alternative methods.

Burma and Ceylon

What has been said about the Indian market for canned fruits and vegetables applies, in general, to the adjacent territories of Burma and Ceylon. Both these markets are of comparatively small interest to Canadian exporters of canned foodstuffs, although Ceylon represents a potential outlet for larger quantities of such goods than have been imported from Canada in the past. This opinion is supported by reference to the tariff situation. Canadian canned goods are entitled to a preferential duty of 15 per cent *ad valorem* as compared with a rate applying to non-British countries of 25 per cent. In Burma the same tariff situation prevails as in the case of India.

Unless Canadian exporters are represented in India by firms which maintain their own offices, or have competent sub-agents, in Rangoon and Colombo, the Burma and Ceylon markets should be regarded as separate territories in which local agents should be appointed. Lists of competent connections in these markets are on file in the Department of Trade and Commerce, Ottawa.

MARKET FOR CANNED FRUITS AND VEGETABLES IN HONGKONG

V. E. DUCLOS, CANADIAN TRADE COMMISSIONER

(Values in Hongkong dollars: HK\$1 equals U.S.\$0.30)

Hongkong, August 18, 1938.—According to official statistics, imports of canned fruits and vegetables into Hongkong during 1937 were valued at \$800,449 and \$1,073,981 respectively, as compared with \$395,521 and \$610,592 for the year 1936.

However, it is to be noted that a considerable proportion of imports into Hongkong coming under these headings represent products of neighbouring territories of a type catering to the demand of the native population, and as

such are not eligible for inclusion as part of the competition to be considered by suppliers of Western-type products.

Thus the aggregate total of imports from Western countries only is to be taken as a basis for an estimate of the extent of the market in which Canadian producers would have the opportunity of participating.

IMPORTS

The following tables show imports of canned fruits and vegetables from Western countries for the years 1937 and 1936:—

Imports of Canned Fruits into Hongkong

	1937	1936
United Kingdom	\$ 16,113	\$ 13,655
Australia	31,444	7,577
Canada	899	4,853
France	1,862	2,001
United States	153,690	93,082
	<hr/> \$204,008	<hr/> \$121,168

Imports of Canned Vegetables into Hongkong

	1937	1936
United Kingdom	\$ 24,753	\$ 18,407
Australia	445	1,258
Canada	12,614	14,100
Belgium	16,281	18,312
France	27,908	26,098
United States	97,112	59,284
	<hr/> \$179,113	<hr/> \$137,459

From the foregoing figures it will be seen that the United States is the predominant supplier of both canned fruits and vegetables to the Hongkong market. The suppliers of canned fruits next in importance are Australia, the United Kingdom, France, and Canada; while in the case of canned vegetables France, the United Kingdom, Belgium, and Canada are also important contributors.

CONSUMPTION

Owing to low purchasing power, such products as canned fruits and vegetables are considered luxuries by all but a relatively small minority of South China's vast population. Abundant supplies of domestic fresh fruits and vegetables meet the needs of the home market. With its population of Europeans and wealthy middle-class Chinese, Hongkong offers a small but steady market for canned fruits and vegetables.

DOMESTIC SUPPLIES

The variety of fruits and vegetables canned in Hongkong and South China is confined to peas, beans, water chestnuts, bamboo shoots, lichees, and a number of other typical Chinese fruits and vegetables. But production is large and, besides supplying the domestic market, meets the demand from the Chinese domiciled in other countries. It is estimated that exports of canned fruits in 1937 exceeded \$450,000; exports of canned vegetables were in the neighbourhood of \$1,200,000.

REQUIREMENTS OF AGENTS AND BUYERS

Exporters of canned fruits and vegetables desirous of entering the Hongkong market, when communicating with prospective agents or buyers or requesting this office to make investigations on their behalf, should forward samples of their products together with c.i.f. Hongkong prices and the terms and discounts they are prepared to offer.

Terms quoted for the Hongkong trade range from letter of credit to ninety days. Basic prices c.i.f. Hongkong, with no reference to discounts or commissions, are frequently advisable, as they permit the importer immediately to determine his opportunities of competing in the market.

METHODS OF SALE

The majority of the large import houses have the exclusive agency for one or more brands of canned fruits and vegetables. They look after the indenting, shipping, storing, financing, and advertising, but as soon as the goods are delivered in the company's godowns, in the majority of cases, it is a Chinese broker in the employ of the agent who does the selling.

In Hongkong and South China the Chinese broker corresponds to the travelling salesman in Canada, and sales depend very largely upon his selling ability and his connections with Chinese buyers. A Chinese broker is usually employed by an importing house at a nominal salary with a commission on sales. Given a competitive article with an attractive label, a well-connected broker will produce a good turnover.

BRANDS OR "CHOPS"

An important feature of the Hongkong and South China market is the value of an attractive brand, trade-mark or, as the Chinese call it, "chop." In making sales to the Chinese population the "chop" is of great importance because a considerable proportion of the buying public cannot read English. They associate a particular requirement with a certain size, shape, or colour of container. An original purchase of a canned product will be made chiefly on the basis of price, but if the product proves satisfactory the buyer will examine the label carefully and for future purchases will always insist on a tin with the same label. A label, therefore, should be distinctive, as large as possible, and brightly coloured. There are no particular preferences as to design, and the types usually used by Canadian packers are satisfactory for this market.

It should be noted that a product which has been selling in the market for years and is well known by its "chop" will continue to sell even at a slight premium over a similar and cheaper but still unknown line. Eventually the cheaper line may sell more widely, but this will be the result of the new "chop" becoming known and appreciated as a similar article at a better price.

The Chinese buyer is conservative and favours long-established brands, hence the importance of underquoting by a firm entering this market with a new line. Not only must a product new to this field be offered at a lower price than that of similar articles already known to the Chinese, but the exporter must realize that a large business will take some time to develop, the period depending upon the ability of the local agent to secure a wide distribution, and therefore advertisement, for the "chop."

Once it has been definitely established that a certain "chop" has a fair chance of becoming popular in the local market, steps should be taken to register it with the Registrar of Trade Marks in Hongkong. The total cost of such registration is approximately \$25 Canadian.

COMPETITION

Californian packers, with their long-established and widely advertised products, have a strong foothold in the canned fruits and vegetables market of Hongkong and South China. They have cultivated the market by meeting the demands of all classes of buyers. Thus, they are offering their products in four different grades—Fancy, Choice, Standard, and Second Quality. The Fancy and Choice grades cater to the requirements of the European and higher-class Chinese population, while the Standard and Second Quality grades are popular with the hotel, restaurant, and middle-class Chinese trade.

The importation into Hongkong of Canadian canned fruits and vegetables has for the greater part been confined to Fancy and Choice grades. Increased expansion in imports of Canadian origin will depend on the possibility of competing in price with Standard and Second Quality grades already on the market.

Canned peaches and pears, in 2½-pound packing, are the largest sellers in the canned fruit lines. In canned vegetables the greatest demand is for peas, pork and beans, and sweet corn.

PACKING, GRADING, AND PRICES

Detailed information concerning packing, grading, and prices of canned fruits and vegetables for the Hongkong market may be obtained by interested Canadian firms on application to the Department of Trade and Commerce, Ottawa (quote file No. 15072).

ADVERTISING

It is not the practice for exporters of canned fruits and vegetables to grant advertising allowances to their Hongkong agents. Quotations should be sufficiently liberal to permit of the expenditure of certain sums for this purpose by the agents at their discretion.

TARIFFS

There are no duties applicable to canned fruits and vegetables when imported into Hongkong, and the products of all countries enter on the same basis. Duties are levied on canned vegetables and fruits on entry into South China, but these are taken care of by the Hongkong agents, importers, or dealers when shipments are being made to that territory.

MARKET CONDITIONS

With the considerable increase in the population of Hongkong, as a result of the disturbed conditions prevailing throughout China, the market for foodstuffs in general has been an extremely good one during the last twelve months.

In the case of canned fruits and vegetables there has been an increased demand from all sections of the buying public, but more particularly from the rich and middle-class Chinese who have recently taken up residence in the colony.

Importers have experienced a period of steady business, and retail stores have done a flourishing trade, which is evidenced by the increased number of provision stores opened recently.

In fact, the present condition of the Hongkong market for canned fruits and vegetables is healthy, and one which is likely to show improvement during the next few months.

CANNED AND PRESERVED FRUITS AND VEGETABLES IN MIDDLE ASIA¹

B. C. BUTLER, CANADIAN TRADE COMMISSIONER

(All values have been converted to Canadian currency at the following rates: one S\$ equals 58 cents Canadian; Netherlands Indies guilder or florin equals 56 cents; Siamese baht or tical equals 44 cents.)

Singapore, August 11, 1938.—The consumption of canned and preserved fruits and vegetables in this area, according to import figures, amounts in value roughly to \$3,000,000 annually. The population of the area totals approximately 85,000,000, so that the consumption of these products is in no way commensurate with the population totals. The bulk of the people in the area are unable to afford foreign foodstuffs.

¹ The term "Middle Asia" for purposes of this report includes British Malaya, Siam and the Netherlands East Indies.

Out of British Malaya's total population of 4,950,000, approximately 750,000 only may be considered as potential consumers. This latter total comprises 44,000 Europeans and Eurasians, and the balance is an arbitrary guess as to the number of better-class Chinese, Indians, and Malays whose income enables them to include imported goods in their diet.

In Netherlands India the population is approximately 65,000,000, of which 45,000,000 is concentrated in the island of Java. The European and Eurasian population of Netherlands India is 250,000, Chinese 1,630,000, other foreign 120,000, and the native population 63,000,000. Assuming all the Europeans and Eurasians to be potential consumers, and again making an arbitrary guess as to the number of other potential consumers, the total would probably not exceed 1,000,000 for the whole of the Netherlands Indies.

Siam's total population is estimated at 14,500,000, of whom only 2,000 are Europeans, 500,000 Chinese, 120,000 other nationalities, and the balance natives. As most of the Chinese in Siam are engaged in some form of business, and as there are a large number of better-class Siamese, it would be fairly accurate to assume that Siam's potential market is less than half that of British Malaya, or roughly 300,000.

The purpose of this discussion is not to establish with any degree of accuracy the number of potential consumers of imported canned goods, but rather to indicate that the total population must not be taken as an index of the market.

LOCAL FRUIT AND VEGETABLE PRODUCTION

In addition to the low purchasing power of the bulk of the population, local production of fresh fruits and vegetables is a very important limiting factor upon the consumption of imported canned goods. All the countries in this area are capable of producing many varieties of fresh fruits and vegetables, but it is only in Netherlands India, and especially Java, that production reaches any significant proportions. In Java almost every vegetable can be produced, at least in experimental quantities, and many are produced on a commercial scale sufficient to permit of exports to Singapore and other nearby large centres. The most important of these exports are potatoes, dried onions, and miscellaneous tropical fruits such as bananas, mangoes, mangosteens, pineapples, soursop, papaya, pomeloes, and rambutans. Sumatra, Celebes, and the other parts of Netherlands India in the main produce only sufficient fruits and vegetables for local consumption. In many of the outlying estate areas there is very little local production, so that Europeans resident in these areas are largely dependent upon tinned foods as a change from practically a native diet. In Netherlands India most of the vegetable-growing areas are located in the highlands.

Singapore and other large cities and towns of British Malaya and the city of Bangkok in Siam have fairly large, adjacent market-gardening areas operated by Chinese and producing a great variety of fresh table vegetables. These supplies are usually not grown under hygienic conditions, and in Malaya supplies of lettuce and other green vegetables are produced under European supervision in the highlands. However, Singapore's requirements of certain items are not met by local production and there are considerable imports of lettuce, celery, cabbage, cauliflower, and similar vegetables from the United States, Australia, and Netherlands India, as well as the large quantities of fresh tropical fruits from the latter source. Malaya's outstanding commercial fruit crop is pineapple, which is canned and exported to the extent of over 4,000,000 cases annually.

With the exception of the pineapple industry of British Malaya, there is no canning industry, as such, in any of these countries. In Java there are one or two small establishments canning or otherwise preserving local fruits and vegetables, but these supplies are largely taken by the Dutch army in Nether-

lands India. In all parts of the territory, and especially in Singapore, there is a fairly extensive manufacture of cheap Chinese sauces carried on in a number of small establishments.

IMPORTS OF CANNED GOODS

Throughout the territory the European demand for imported canned goods, and especially canned fruits, is fairly steady. With one or two exceptions, tropical fruits are generally disappointing to the average foreigner as they lack the acidity and flavour of those of the temperate zones. The demand for imported canned goods on the part of better-class Chinese, natives, and others depends mainly upon business conditions. When times are good these classes of the population like to supplement their diet of local products with imports of canned fruits.

The following tables show the extent of the market for all the items for which statistics are available. The notes following the tables list the most important suppliers of each item. Because of the important entrepôt trade in Singapore and Penang, statistics of exports from British Malaya have been included. Siamese official statistics include imports of these products under the heading "all other foodstuffs unenumerated," which is too general for purposes of this report.

British Malayan Imports and Exports of Canned and Preserved Fruits and Vegetables

(Values in Canadian Currency)

	1935		1936		1937	
	Imports	Exports	Imports	Exports	Imports	Exports
Fruits, canned, or bottled, n.o.p.	\$152,371	\$ 40,825	\$142,701	\$ 38,351	\$256,862	\$ 49,747
Pineapples, canned	94	4,671,923	269	5,038,218	525	5,118,820
Jams, jellies and marmalades.	68,924	3,500	59,118	2,447	69,704	4,065
Vegetables, canned	239,630	52,799	247,193	46,270	337,855	59,144
Fruit syrups and juices	32,560	11,889	55,166	22,176	84,891	15,330
Fruit, dried and preserved ..	773,767	226,860	851,362	220,824	1,206,321	286,520
Sauces	128,143	99,290	132,003	78,611	165,802	80,180
Pickles	61,330	9,864	50,477	11,501	85,037	17,344

IMPORT SOURCES

The figures in the following list indicate the percentage imported from each source in 1936:—

Fruits, Canned or Bottled, n.o.p.—China, 48 per cent; United States, 36; United Kingdom, 10; Japan, 2·4; Australia, 2·3; Canada, 0·8 per cent. China exports only lichees, longans, and pears.

Pineapples, Canned (Exports).—Canada took 8,591 tons valued at \$592,450 in 1937.

Jams, Jellies, and Marmalades.—United Kingdom, 68 per cent; Australia, 20; Japan, 3; Belgium, 1 per cent.

Vegetables, Canned.—China, 39 per cent; United States, 16; Japan, 10; United Kingdom, 9·6; France, 7·7; Belgium, 5·8 per cent; Canada, 22 tons valued at \$3,228. Imports from China consisted mainly of bamboo shoots, gherkins in soy, cabbages in soy, and green peas.

Fruit Juices and Syrups.—United States, 55 per cent; United Kingdom, 26; Australia, 13; South Africa, 152 gallons valued at \$162; and Canada, 42 gallons valued at \$45.

Fruit, Dried and Preserved.—China, 62 per cent; United States, 7; Arabia, 3; Netherlands India, 2. Imports from China consist of persimmons, olives, plums, longans, lichees, dates, apricots, and figs.

Sauces.—China, 56 per cent; United Kingdom, 16; Japan, 9·6; Canada, 6·6. Imports from China are mainly soy.

Pickles.—China, 53 per cent; United Kingdom, 15; British India, 14; Hongkong, 8; United States, 8,025 pounds valued at \$1,962; and Canada, 4,026 pounds at \$769. Pickles from China are mainly garlic, young onions, ginger, and bamboo shoots.

Imports into Netherlands India of Canned and Preserved Fruits and Vegetables

(Values in Canadian Currency)

	1935	1936	Java & Madura 1937
Fruits, canned in water, syrup or wine	\$155,233	\$190,579	\$151,182
Vegetables, canned	302,196	306,147	225,039
Jams, jellies and marmalades	96,720	97,532	93,770
Fruit syrups and juices	6,417	2,998	.....
Fruits, dried, n.o.p.	216,444	206,769	159,018
Fruits, glacé, crystallized, etc.	63,414	66,772	31,599
Sauces, condiments, chutney, etc.	134,370	175,200	133,073
Pickles	30,070	31,841	34,483

IMPORT SOURCES

Fruits, Canned in Water, Syrup, or Wine.—United States, 45 per cent; Singapore, 15; Australia, 13; Japan, 9; Hongkong, 6; China, 4; Holland, 4 per cent.

Vegetables, Canned.—Singapore, 22 per cent; Holland, 21; United States, 16; Hongkong, 14; Japan, 11; China, 5·7; Belgium and Luxemburg, 5·2 per cent.

Jams, Jellies, and Marmalades.—Holland, 40 per cent; Australia, 26; Switzerland, 14; Japan, 8; United Kingdom, 4; United States, 3·6; Singapore, 2 per cent.

Fruits, Syrups, and Juices.—United States, 45 per cent; United Kingdom, 11 per cent.

Fruits, Dried, N.O.P.—United States, 28 per cent; Singapore, 25·5; Australia, 21; Hongkong, 11; China, 7; Penang, 4 per cent.

Fruits, Glacé, Crystallized, etc.—Singapore, 45 per cent; Hongkong, 30; China, 8; Holland, 5; Penang, 4·6; France, 4 per cent.

Sauces, Condiments, Chutney, etc.—Switzerland, 39 per cent; Hongkong, 26; Singapore, 17; China, 12; United Kingdom, 6; United States, 5; Holland, 2 per cent.

Pickles.—Holland, 45·6 per cent; United States, 24·6; Hongkong, 14; Great Britain, 2·3; Canada, 2 per cent.

The quantities credited to Singapore in the foregoing notes are re-exports to Sumatra and other Dutch islands adjacent to Singapore. The only exception is canned pineapple.

CANNED FRUITS

The canned fruits enjoying the largest demand are, in order of importance, peaches, pears, grapes, fruit salad, cherries, apricots, apples, and plums. About ten years ago between 35 and 50 per cent of the entire market for canned fruits in syrup consisted of canned grapes because of the relative cheapness of this product. Increased importation of fresh grapes in cold storage from Australia and California has reduced imports of canned grapes to about one-fifth of their former quantities, but there is still a big sale, especially in the up-country districts away from cold storage depots. From July to October fresh grapes are expensive and the demand for the canned varieties increases during this period. In all these lines Californian suppliers enjoy the bulk of the market. In Netherlands India, Dutch and Swiss packs have a limited sale, and in British Malaya, English and Canadian are on the market. Australian tinned fruits are also on sale in all parts of the territory. The usual size is the 2½-tin, but for certain fruits the No. 1 and even 8-ounce sizes are popular.

Canadian packs offered on this market have not been favoured, first, because the syrup has not been considered heavy enough, and secondly, because the quality has not been considered as good as that of the Californian. The opinion has been expressed that there would be a sale for Canadian canned fruits if Fancy quality could be obtained at the same price as the Californian Choice qualities. As sales of canned fruit are chiefly to the European community, Choice quality is most in demand. Except for certain items enjoying general sale, such as grapes, it does not pay to stock lower grades. The hotel business is unimportant.

CANNED VEGETABLES

The best selling item in canned vegetables is peas, which enjoy a wide general sale to all classes of the population able to afford imported goods. Peas also have a very large sale to the small Chinese restaurants, of which there are especially large numbers in such centres as Singapore and Bangkok. French packs have become the standard of quality, especially for the bulk trade. These peas are characterized by their bright green colour and firm texture. By comparison United States and Canadian packs seem colourless. Dutch, Swiss, and United Kingdom packs are similarly highly coloured but they are too expensive to appeal to any but the European trade. No. 3 sieve is the most favoured in tin sizes Nos. 1 and 2, with the former predominating.

Next in importance is canned asparagus. It is the largest single item of canned vegetables imported from the United States, and American packs have a virtual monopoly of the market. The popular size is the 2½-square tin but there is a good demand for the No. 1 square tin and the picnic, Nos. 1 and 2½ round tins. The large white asparagus is favoured. There is very little demand for the green variety.

Although sales are falling off, there is still a fair demand for sweet white corn, mainly in No. 2 tins. Cheap packs of standard grade formerly enjoyed a good sale to the small Chinese ice-cream manufacturers, but with the increasing use of prepared ice-cream mixes sales of canned corn have fallen off.

With the exception of standard quality peas and corn for the special outlets mentioned, the principal quality in demand is Choice.

Other important vegetable items are solid-pack tomatoes in 1- and 2½-tins and baked beans in No. 1 and smaller tins. Canned pumpkin, beets, carrots, and spinach have a negligible sale as fresh supplies are obtainable locally.

FRUIT PRESERVES

There is quite a large demand for jams, jellies, and marmalades. In the case of Netherlands India, Dutch preserves are the most favoured. In British Malaya and Siam, British products take the lead for the quality trade and Australian jams in 12-ounce tins for the bulk trade. These Australian packs have also increased their sale in Netherlands India during recent years.

OTHER CANNED FRUIT AND VEGETABLE PRODUCTS

Of the miscellaneous canned fruit and vegetable products the most popular throughout the territory generally is tomato catsup in 12-ounce bottles. Next in importance are juices such as tomato, orange, grapefruit, loganberry, pineapple, grape. The usual pack is No. 1 tins, but tomato juice is also offered in No. 2's. There is a fair importation of these fruit juices in large commercial sizes for the use of the many aerated water factories. In addition, bottled lime, lemon, orange, grapefruit juice, lemon barley water, etc., are sold in considerable quantities to fill the steady demand for various kinds of "squashes" and "thirst-quenchers" in this tropical climate. Locally manufactured cordials enjoy most of this trade.

Another item worthy of mention is canned soups, which are specially popular among the European residents in British Malaya and Siam. In Netherlands India the demand is much less as the Dutch residents prefer home-made soups.

Other miscellaneous imported lines of canned fruits and vegetables include maraschino cherries in 3- and 5-ounce bottles, crystallized and glacé cherries, ginger and mixed fruits in small packs and bottles, bottled solid-packed fruits such as blackberries, currants, cherries, gooseberries, plums, etc., for pie fillings, and mushrooms packed in brine in small and large tins.

DRIED FRUITS

There is a good sale for evaporated apples, prunes, and apricots, and Californian packs are the standard of quality. The most popular pack for evaporated apples is in 5-pound tins. The principal requirements are that the slices be of a good size, white in colour, thoroughly cored, and possess good flavour and aroma. Prunes and apricots are packed in the same size tins but there is also a sale in 25-pound boxes.

DRIED VEGETABLES

With the exception of dried onions from Egypt, British India, China, and locally produced in Java, there is practically no sale for dehydrated vegetables either in bulk or in cans. The one exception might be evaporated peas, a line which has not yet been tried in these markets, but which might enjoy a good sale if a rich green colour could be preserved and if the price were competitive with the popular wet packs.

SAUCES AND RELISHES

Locally produced sauces, relishes, and chutneys are mainly for the Chinese and native trade and do not compete to any great extent with the imported articles. The good demand for tomato catsup in 12-ounce bottles has already been mentioned. Such sauces as Worcestershire have a ready sale in British Malaya and among the English-speaking communities of Netherlands India and Siam. A Swiss flavouring known as Maggi enjoys an unusually large turnover in Netherlands India. Relishes, except for curries, have a small sale.

METHODS OF SALE

The usual channel of distribution for canned foodstuffs is through the large European importers, who reach the retail trade through their own branch organizations and Chinese wholesalers or by direct sales to the larger retailers. A few of the Chinese wholesalers import direct, but for the most part the European merchant house is still the original and the most reliable purchaser. The secondary retail distribution is almost entirely in the hands of Chinese and Indian shopkeepers, although in British Malaya the Singapore Cold Storage Company operate a chain of cold storage depots with general retail grocery departments attached in all the important centres.

SINGAPORE DEFENCE FORCES

Canadian exporters frequently inquire concerning the supply of the local defence forces. There are two distinct agencies handling these supplies: (1) the Royal Army Service Corps handling the bulk purchases of foodstuffs for the garrison; (2) the Navy, Army, and Air Force Institutes conducting a business for the supply of all manner of provisions for officers' and N.C.Os' private households, distribution being through depots maintained at the various barracks. The former purchases most supplies by local tender, although the tendency at present is to buy more largely through the War Office in London. A modern cold storage warehouse has been built in Singapore to facilitate this method of purchasing. With the exception of peas, pork and beans, milk, and such standard lines, the R.A.S.C. does not purchase many items of tinned foods, depending more upon supplies of fresh fruit and vegetables. The N.A.A.F.I.'s policy is to purchase in London direct from suppliers, and any purchases made locally are usually only to replace stocks until fresh direct shipments are received.

In Netherlands India the sale of the important American canned goods lines is through a combine of large European importers, who work together to keep

out new competitive lines. In British Malaya and Siam this organization does not exist.

AMERICAN COMPANY REPRESENTATIVES

The success of the American canning companies in this territory, in addition to good quality and the fact that they were the first in the market, is due to the fact that they maintain resident company travelling representatives to control the advertising and merchandising of the goods. While most of the large American and other packers have now concentrated the imports of their products into the hands of one merchant firm, the company's own representative is in constant touch with the market, maintaining the dealers' interest in the line and in general promoting sales. Formerly some packers attempted to make their brands so-called "open market" lines, but it has been found that better results and more control are possible by appointing one firm as sole agent.

ADVERTISING

Advertising is an important feature of selling in this part of the world, in order to popularize brands or "chops." Advertising allowances are usually granted by the shippers to be used at the discretion of the importer or the company's own resident representative. In the case of canned goods this advertising takes the form of coloured insert pages in the catalogues issued by the more important wholesale and retail firms, a limited amount of newspaper space, and lantern slides, which are shown during the intervals at cinemas. Perhaps the most successful form of advertising is regular demonstrations and special sales weeks.

BRANDS

A distinctive brand is essential, especially for lines like tomato catsup, pears, mushrooms, and corn, which enjoy a good sale among the Chinese. These buyers soon learn the "chop" of the articles which, in their opinion, offer the best value for the money, and it is very difficult to persuade them to buy a similar article differently branded unless the price is more attractive. For introductory purposes it is usually necessary to sell at prices well below the competition, charging the loss of profit to advertising. If a new brand becomes popular and firmly established, it will continue to sell when the price is raised to a level that ensures a reasonable profit to the shipper and importer.

SELLING TERMS

The usual terms are cash against documents, the latter in most cases being drawn upon the individual Chinese wholesaler or large retailer rather than upon the European import firm holding the agency. Thus, these agency firms are not required to carry large stocks or to extend credit facilities. New lines appearing in the market are usually purchased for stock by the import firm, cash against documents, and sold to the wholesale and retail trade on credits up to as much as three months.

The normal margin of profit of the large import firms in British Malaya and Siam on these products is $7\frac{1}{2}$ to 10 per cent. In Netherlands India the import firm's margin is somewhat larger. These profits apply in the case of sales to large wholesalers, but a slightly higher rate applies on sales to retail shops. The average margin of profit of the retail shops is from 5 to 10 per cent.

Retail catalogues from this market are on file at the Department of Trade and Commerce, Ottawa, and may be had for study to be returned upon request. These catalogues list every line which enjoys a sale in this market, and an attempt has been made to indicate the c.i.f. price of each item.

OPPORTUNITIES FOR CANADIAN SHIPPERS

The Trade Commissioner's office at Singapore from time to time reports negatively to Canadian exporters who offer various lines of canned fruits and vegetables. Usually, the reason for such negative reports is that the range of products offered is not sufficiently large to render the line of interest to any reputable import firm. For example, an exporter offering only canned peas, pumpkin, and beans stands small chance of success. The sales of any individual item are relatively small, and it is only by being able to offer a wide range that a worthwhile turnover may be assured. All the large, American, British, and Dutch firms doing business in this market offer an almost endless variety of canned and bottled foodstuffs, with the result that an individual buyer can place orders for half-case or case lots of any one item and the total order will aggregate more than a minimum freight bill.

Moreover, the importance of the brand or "chop" cannot be over-emphasized. Goodwill earned for a wide variety of similarly branded products will also attach to any new items which might be introduced under the same brand. Conversely, if an importer, in order to round out a full line of canned and bottled fruits and vegetables, is required to purchase from a number of firms under a variety of brands, the same amount of effort is required to popularize each brand as would be devoted to pushing one brand. In the opinion of the writer, small independent packers in Canada can never hope to succeed in markets such as this, unless they associate themselves for export purposes and offer a complete range of goods under one brand. Given such a range of products with competitive c.i.f. quotations and provided funds are set aside for generous sampling and ample advertising, it should be possible to interest reputable importers in agencies covering all parts of this territory. There is no seasonal fluctuation in demand and standard Canadian tins, packing, and grading are satisfactory so long as the cases will withstand rough handling.

CUSTOMS DUTIES

There is no duty on any of these articles entering the Straits Settlements free ports: Singapore, Penang, or Malacca. In the Federated and Unfederated Malay States there is a British preference of 15 per cent, and to qualify for this preference shipments must be accompanied by an original certificate of origin. Copies of such certificate are not accepted.

Specific duties apply in Siam, the rate on canned vegetables being 0.05 baht per kilogram, and on canned fruits 0.10 baht per kilogram.

The present duty on these imports into Netherlands India is 20 per cent, plus a surtax of 25 per cent on the duty thus assessed.

PRESENT MARKET CONDITIONS

The market for all these products in this tropical territory is steady the year round, varying only with business conditions, and these affect only certain lines such as canned fruits, the sale of which drops off if the incomes of the Chinese and classes other than Europeans are reduced by adverse conditions. At the early part of the present year there was some evidence of over-stocking in a number of lines. This was a result of the confident tone of business during most of 1937. These stocks have been disposed of and the position at present may be considered as normal in most lines.

**CANADA'S DOMESTIC EXPORTS TO THE UNITED STATES OF PRINCIPAL COMMODITIES AFFECTED BY THE CANADA-UNITED STATES TRADE AGREEMENT
EFFECTIVE FROM JANUARY 1, 1936; ALSO UNITED STATES TARIFF RATES IN FORCE. (MONTH OF AUGUST, AND THE EIGHT MONTHS ENDED
AUGUST 31, 1937 AND 1938)**

(COMPILED BY THE EXTERNAL TRADE BRANCH, DOMINION BUREAU OF STATISTICS; AND THE FOREIGN TARIFFS DIVISION)

Commodities	Month of August				Eight months ended August				United States Tariff	
	1937		1938		1937		1938		1935	Canada-United States Trade Agreement (Jan. 1, 1936)
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value		
AGRICULTURAL AND VEGETABLE PRODUCTS										
Fruits—										
Apples, green or ripe.....			830	1,868	672	3,163	1,045	2,715	25c. per bu. 50 lbs.	15c. per bu. 50 lbs.
Strawberries, fresh.....	18,046	1,560	2,524	214	1,394,412	93,866	797,223	56,727	14c. per lb.	4c. per lb.
Grain products—										
Bran, shorts and middlings.....	32,122	39,465	1,562	1,016	1,448,099	2,161,144	33,164	29,160	10% ad val.	10% ad val.
Cereal foods, prepared, all kinds.....										
Screenings.....	43,563	25,593	78,761	4,997	567,107	448,608	411,661	50,177	20% ad val.	15% ad val.
Hay.....	1,137	7,282	189	1,311	132,322	893,178	12,430	92,671	\$5 per ton (2,000 lbs.).	\$3 per ton (2,000 lbs.).
Maple sugar.....	761,255	112,469	1,299,352	193,642	2,334,222	339,497	6,091,531	986,596	6c. per lb.	4c. per lb.
Seeds—										
Clover seed, alfalfa.....	403	5,763			22,063	303,362	17,864	292,183	8c. per lb.	4c. per lb.
Clover seed, alsike.....	175	1,726			15,518	159,207	2,037	22,947	8c. per lb.	4c. per lb.
Grass seed.....	211	151	964	4,206	36,232	94,201	46,377	98,553	2c. per lb.	1c. per lb. (mainly timothy).
Vegetables—										
Certified seed potatoes.....			1,425	855	312,175	331,620	187,830	99,623	75c. per 100 lbs.	45c. per 100 lbs., Mar. 1 to Nov. 30, if certified seed;
										60c. per 100 lbs., Dec. 1 to last day of Feb., if certified seed;
										75c. per 100 lbs. on imports of certified seed in excess of 750,000 bu. during each twelve-month period, beginning Dec. 1, in any year.
Potatoes, n.o.p.....	48	47			325,561	237,088	123,275	55,447	75c. per 100 lbs.	75c. per 100 lbs.
Turnips.....	9,634	3,830	23,702	8,742	1,055,651	339,741	1,043,817	383,084	25c. per 100 lbs.	12½c. per 100 lbs.
Whiskey.....	345,552	1,286,236	125,293	492,766	3,009,651	11,426,142	1,540,991	6,122,094	\$5 per pt. gal.	\$2.50 per pt. gal. if aged in wooden containers for at least four years; \$5 per pt. gal. if otherwise.
ANIMALS AND ANIMAL PRODUCTS										
Animals, living—										
Dairy cattle, n.o.p.—										
Weighing 175 to 700 lbs.....	3	60	10	335	106	3,939	62	2,344	2½c. per lb. 175 to 700 lbs.	2½c. per lb., 175 to 700 lbs.
Weighing over 700 lbs.....	423	27,400	631	42,262	3,729	226,860	4,026	259,401	3c. per lb. if over 700 lbs.	3c. per lb. if over 700 lbs.
										3c. per lb. if over 700 lbs. on imports in excess of 20,000 head during any calendar year.

Cattle, n.o.p.—		No.		183,915		3,248		50,855		83,631		1,222,791		37,655		556,932 2½c. per lb., if less than 175 lbs.		1½c. per lb., if less than 175 lbs.	
Weighing less than 175 lbs.																			
Weighing 175 to 700 lbs.		No.		97,696		399		6,839		7,218		183,246		1,408		38,786 2½c. per lb., if 175 to 700 lbs.		2½c. per lb., if less than 175 lbs., on imports in excess of 51,933 head during any calendar year.	
Weighing over 700 lbs.		No.		2,088,982		5,196		280,989		139,900		9,487,794		32,244		1,876,716 3c. per lb., if over 700 lbs.		3c. per lb., if over 700 lbs., on imports in excess of 155,799 head during any calendar year.	
Horses, n.o.p.		No.		64,095		173		22,004		8,709		1,128,667		4,467		572,785 \$30 per head, if valued at not more than \$150; 20% ad val., if valued more than \$150.		20% ad val., if valued more than \$150.	
Poultry, n.o.p.		No.		71,370		8,936		4,334		483,276		262,812		225,124		150,109 8c. per lb., if chickens, ducks, geese, turkeys, and guineas.		8c. per lb., if chickens, ducks, geese, turkeys, and guineas.	
Fish, fresh and frozen—																			
Clams, fresh.		Cwt.		5,243		1,491		3,009		40,611		49,521		24,148		29,458 Free.		Free.	
Eels, fresh and frozen.		Cwt.		3,956		165		1,216		1,692		11,001		1,107		7,233 1c. per lb.		1c. per lb.	
Halibut, fresh and frozen.		Cwt.		61,155		4,247		38,904		35,928		335,415		41,786		410,043 2c. per lb.		1c. per lb.	
Herring, sea, fresh and frozen.		Cwt.		9,030		32,283		17,543		99,392		84,722		59,169		46,065 Free.		Free.	
Salmon or lake trout, fresh and frozen.		Cwt.		71,791		5,704		60,456		25,521		280,471		24,240		268,558 1c. per lb.		1c. per lb.	
Lobsters, fresh.		Cwt.		151,800		7,140		148,735		94,491		2,026,654		91,467		1,647,042 Free.		Free.	
Oysters, fresh.		Cwt.		178		15		98		1,184		1,184		3,028		2,083 Free.		Free.	
Salmon, fresh and frozen.		Cwt.		53,130		7,456		84,892		35,500		379,603		35,369		411,315 2c. per lb.		1½c. per lb.	
Smelts, fresh and frozen.		Cwt.		109,633		7,536		79,979		11,055		144,066		8,308		95,902 2c. per lb.		1½c. per lb., if not frozen;	
Swordfish, fresh and frozen.		Cwt.		42						4,415		32,234		7,766		62,802 1c. per lb.		3c. per lb., if frozen.	
Tullibee, fresh and frozen.		Cwt.		134,858		10,569		112,412		91,160		1,026,471		91,775		1,059,098 1c. per lb.		1c. per lb.	
Fish, pickled, salted, and smoked—																			
Alewives, salted.		Cwt.		309		81		443		15		44		542		1,129 1½c. per lb., net weight.		1½c. per lb., net weight.	
Herring, sea, smoked.		Cwt.		78		170		3,267		4,473		21,386		5,649		24,285 3c. lb., if boned;		1½c. lb., if boned;	
Salmon, pickled.		Cwt.		94		1		14		4		93		1,424		22,421 25% ad val.		1½c. per lb., not boned.	
Fish, canned—																			
Clams, canned.		Cwt.		25,467		262		13,486		3,496		203,955		2,848		1,386 23% ad val., if razor clams;		15% ad val., if razor clams;	
Lobsters, canned.		Cwt.														35% ad val., if other kinds.		35% ad val., if other kinds.	
Fur skins, undressed—																148,864 Free.		Free.	
Beaver.		No.		88,308		8,591		99,383		35,315		538,732		32,087		363,950 Free.		Free.	
Mink.		No.		17,418		2,558		25,165		79,944		75,932		771,198 Free.		Free.		Free.	
Muskrat.		No.		19,597		165,159		122,189		184,781		266,688		346,962		275,983 Free.		Free.	
Wolf.		No.		18,992		394		4,069		30,504		381,447		14,886		145,499 Free.		Free.	
Leather—																			
Harness leather.				2,545				691				1,855				954 12½% ad val.		10% ad val.	
Patent leather.												49,273				7,958 15% ad val.		10% ad val.	

CANADA'S DOMESTIC EXPORTS TO THE UNITED STATES OF PRINCIPAL COMMODITIES, Etc.—Concluded

Commodities	Month of August				Eight months ended August				United States Tariff	
	1937		1938		1937		1938		1935	Canada-United States Trade Agreement (Jan. 1, 1936)
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value		
Meats—										
Poultry, dressed or undressed.....	15,796	3,069			16,020	3,124	1,283	\$	277 10c. per lb.	6c. per lb., if chickens and guineas; 10c. per lb., if other poultry.
Milk products—										
Cheese.....	5,588	79,477	1,379	23,398	33,401	503,131	11,009		7c. per lb., but not less than 35% ad val.	5c. per lb., but not less than 25% ad val., if cheddar cheese in original leaves; 7c. per lb., but not less than 35% ad val., if other kinds of cheese.
Cream.....	11,559	20,029			70,248	121,502	5,096		11,153 56-6/10c. per gal.	35c. per gal. 56-6/10c. per gal. on imports in excess of 1,500,000 gals. during any calendar year.
Whale oil.....			117,320	38,363	360,243	100,521	376,284		117,078 5c. per gal.	24c. per gal.
Wood, Wood Products and Paper										
Shingle bolts of pine or cedar.....	17	63	36	144	526	1,845	92		462 Free.	Free.
Stave and other bolts, n.o.p.....									5,041 10% ad val.	10% ad val.
Firewood.....	6,329	32,661	5,246	26,967	34,077	175,719	31,920		165,870 Free.	Free.
Laths.....	13,071	61,353	42,462	170,790	700,748	90,639			273,615 Free.	Free.
Logs.....	6,701	85,938	16,207	182,410	58,353	761,177	86,596		996,151 Free.	Free.
Masts and spars.....		100				414			75 \$1 per M ft. b.m., if fir, spruce, pine, hemlock or larch; free, if other kinds.	Free.
Pickets.....	3,118	20,581	4,886	33,741	21,016	156,280	22,070		158,269 Free.	Free.
Piling.....	272,910	21,859	124,130	7,537	464,375	35,985	442,659		26,919 \$1 per M ft. b.m., if fir, spruce, pine, hemlock or larch; free, if other kinds.	Free.
Planks and boards—										
Flooring of hardwood.....	95	6,824	33	1,466	1,350	84,752	113		5,600 8% ad val.	4% ad val.
Planks and boards, softwood.....	39,570	1,173,846	43,514	1,080,436	336,226	9,263,553	252,980		6,334,977 \$1 per M ft. b.m. and \$3 per M ft. b.m. Revenue Tax if fir, spruce, pine, hemlock or larch; (a) free, if other kinds of wood, but subject to \$3 Revenue Tax per M ft. b.m.	\$1.50 per M ft. b.m. Revenue Tax if fir, spruce, pine, hemlock or larch; (a) free, if other kinds of wood, but subject to \$1.50 Revenue Tax per M ft. b.m.
Planks and boards, hardwood, n.o.p.....	5,112	207,212	3,264	126,244	35,482	1,457,373	16,230		658,203 Free, but subject to \$3 per M ft. b.m. Revenue Tax.	Free, but subject to \$1.50 per M ft. b.m. Revenue Tax.
Poles—										
Telegraph and telephone.....	55,844	171,217	47,700	163,777	268,194	789,550	189,891		621,400 Free.	Free.
Other poles.....		252		24,246		52,447			39,513 Free.	Free.
Posts, fence.....	41,828	3,416	30,766	2,889	622,264	52,417	455,312		7,105 513 Free.	Free.
Pulpwood.....	224,646	1,819,717	209,464	1,828,240	804,771	6,805,338	881,310		122,462 Free.	Free.
Railroad ties.....	34,903	20,323	58,003	38,726	182,341	117,468	109,905		4,061 513 Free.	Free.
Shingles.....	217,924	619,774	270,725	767,194	1,481,665	4,219,460	1,512,364		8,504 Free, if staves; 133 1/4% ad val. if headings.	Free, if staves; 133 1/4% ad val. if headings.
Staves and headings.....		2,204		1,634		67,102				

Timber, square, softwood.....	M ft.	119	2,845	91	2,473	1,218	30,060	720	15,207 \$1 per M ft. b. m., if fir, spruce, pine, hemlock, or larch, if other kinds. Free.
Timber, square, hardwood.....	M ft.								
Wood pulp.....	Cwt.	1,124,208	2,821,643	1,044,564	2,384,805	8	254	4	222 Free.
Paper—Newsprint.....	Cwt.	4,771,203	8,781,758	3,639,740	8,133,637	36,852,227	67,125,097	23,957,049	13,175,986 Free. 52,319,332 Free.
IRON AND ITS PRODUCTS									
Farm implements—									
Cultivators.....	No.	15	880			375	16,234	425	24,131 Free.
Drills.....	No.	156	23,660	18	2,059	580	70,182	350	69,381 Free.
Harrow and parts.....	No.	27,541	3,400				103,866		31,401 Free.
Harvesters and binders.....	No.	272	38,213	181	29,186	1,635	201,936	1,118	237,928 Free.
Hay rakes and parts.....	No.	16	186			108	6,065		7,241 Free.
Mowers.....	No.	5	334	2	125	215	12,248	270	18,745 Free.
Ploughs and parts.....	No.	72,676	7,238		19,856		498,039		238,526 Free.
Reapers and threshers.....	No.	26	7,238	3	13,630	329	241,247	927	732,747 Free.
Parts of farm implements, n.o.p.....	No.	70,741	7,238		13,630		476,746		298,110 Free.
Ferro-silicon.....	Ton	1,169	31,551	675	14,639	9,063	185,606	4,166	101,970 2c. per lb. on silicon content. 1c. per lb. when containing 8% or more but not less than 30% of silicon.
Ferro-manganese and other ferro-alloys, Ton									
n.o.p.....	Ton	476	27,351	675	18,711	16,897	778,155	5,786	205,784 1c. per lb. on manganese content. 1c. per lb. when containing not less than 45% of carbon.
Skates..... Pair									
	Pair	5,000	2,700	27,589	32,448	57,607	37,102	118,980	83,378 30% ad val.
NON-FERROUS METALS AND PRODUCTS									
Cobalt in ore.....	Cwt.	54	3,264	252	16,422	385	24,623	369	21,911 Free.
Cobalt metallic.....	Lb.			7,413	10,705			37,354	54,952 Free.
Nickel in matte or speiss.....	Cwt.	9,372	168,896	10,303	185,454	91,648	1,648,995	53,551	964,458 Free.
Nickel in oxide.....	Cwt.	429	9,012	111	3,373	14,848	297,764	1,245	26,093 Free.
NON-METALLIC MINERALS AND PRODUCTS									
Abrasives, artificial, crude.....	Cwt.	180,731	515,823	62,800	152,991	1,391,871	3,696,430	713,074	1,993,671 Free.
Asbestos.....	Ton	18,289	453,448	4,442	228,766	3,425,223	3,425,223	35,232	1,900,548 Free.
Asbestos sand and waste.....	Ton	14,496	230,609	10,567	188,816	124,129	2,030,193	66,282	1,170,858 Free.
Field spar and nepheline syenite.....	Ton	2,163	16,468	3,508	16,273	13,457	113,152	22,035	1,178,800 50c. per ton, if crude.
Gypsum, crude.....	Ton	93,276	107,798	80,488	96,109	418,335	477,633	433,044	499,642 Free.
Lime.....	Ton	28,915	12,962	10,127	4,142	150,076	63,767	84,569	33,804 Various.
Talc.....	Cwt.	11,230	3,474	13,751	7,267	98,804	48,952	79,931	41,463 35% ad val.
CHEMICALS AND ALLIED PRODUCTS									
Acetic acid.....	Cwt.	23,788	127,284	9,109	48,756	270,001	1,446,998	34,319	183,675 2c. per lb. if over 65% 10c. per lb. if oxides.
Cobalt oxides and cobalt salts.....	Lb.	23,450	34,326			88,220	116,664		30c. per lb. if oxides. 3 3/4% ad val. if salts.
Cyanamid.....	Cwt.	103,000	95,989	101,587	97,805	2,104,719	2,316,569	1,969,575	2,200,552 Free.
Sulphuric acid.....	Cwt.	5,517	3,350	1,551	943	21,990	13,729	13,535	9,618 Free.
MISCELLANEOUS COMMODITIES									
Organs.....	No.					8	16,261	9	34,704 35% ad val.
Total exports of above commodities.....					18,012,404		170,229,189		115,747,859
Total domestic exports to United States.....					39,601,895		315,246,491		183,064,038

(a) Reduced rates not applicable to imports of Douglas fir or Western hemlock in any calendar year in excess of an aggregate quantity of 250,000,000 feet, board measure.

TRADE COMMISSIONERS ON TOUR

Mr. J. C. Macgillivray, Canadian Trade Commissioner at Berlin, Germany (whose territory includes Czechoslovakia and Poland); and Mr. J. L. Mutter, Canadian Trade Commissioner at Johannesburg, South Africa (whose territory includes the Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland), are visiting the principal industrial centres of Canada in the interest of Canadian trade with their respective territories. Their itineraries are as follows:—

Mr. Macgillivray

Vernon and Kelowna... .. Sept. 27 and 28
Edmonton... .. Oct. 3
Winnipeg... .. Oct. 6
Ottawa... .. Oct. 10 and 11
Montreal and district... .. Oct. 20 to 28
Quebec and Levis... .. Oct. 31
Halifax and Stewiacke... .. Nov. 2 and 3

Kentville, Wolfville and
Bridgetown... .. Nov. 4 and 5
St. John and Black's
Harbour... .. Nov. 8
Toronto and Weston... .. Nov. 11 to 18
Kitchener... .. Nov. 21
London and Ingersoll... .. Nov. 22

Mr. Mutter

Vernon... .. Sept. 26
Summerland... .. Sept. 27
Calgary... .. Sept. 29
Winnipeg... .. Oct. 1
Ottawa... .. Oct. 3
Sackville and Amherst... .. Oct. 5
Truro... .. Oct. 6
Halifax and Kentville... .. Oct. 7 and 8
St. John... .. Oct. 10
Quebec... .. Oct. 12
Montreal and district... .. Oct. 13 to 29
Ottawa and Carleton
Place... .. Oct. 31

Renfrew and Pembroke... .. Nov. 1
Brockville, Kingston and
Pictou... .. Nov. 2
Oshawa, Bowmanville and
Cobourg... .. Nov. 3
Orillia, Gravenhurst and
Huntsville... .. Nov. 4
Toronto and district... .. Nov. 7 to 19
Guelph... .. Nov. 21
Kitchener and district... .. Nov. 22 to 24

Firms who wish to be brought in touch with the Trade Commissioners should communicate: for Toronto, Winnipeg, and Edmonton, with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other centres, with the respective Board of Trade or Chamber of Commerce.

FRESH APPLE TRADE IN EGYPT AND PALESTINE

HENRI TURCOT, CANADIAN TRADE COMMISSIONER

Egypt

(One Egyptian pound—£E.—is approximately equal to \$5.15)

Cairo, August 30, 1938.—According to Egyptian Government statistics, the values of imports of fresh apples into this country in 1937 and 1936 were as follows:—

	Country	1937 £E	1936 £E
Total		83,974	107,967
	Australia	2,870	3,620
	Canada	2,565	8,905
	Greece	2,204	2,933
	Italy	8,623	1,812
	Turkey	2,604	8,656
	United States	64,657	80,883
	Other countries	451	1,158

It is apparent from the foregoing that the larger share of the Egyptian apple trade is in the hands of the United States; however, as a consequence of the flooding policy of United States shippers, quite regardless of the absorp-

tion capacity of the Egyptian market, sales of United States apples have been effected at prices which were hardly remunerative.

Canadian apples have been losing ground since 1934, and from 1936 to 1937 the downward trend has been further accentuated. The decline in the past two years is to be attributed (a) to Canadian exporters being, as a rule, unable to quote competitively with the United States and (b) to the unwillingness of importers to enter into forward engagements, owing to the uncertainty resulting from the policy adopted by United States shippers. There are rumours to the effect that United States shippers, some of whom have experienced comparatively serious losses, might revise their policy regarding the Egyptian market. Should this be the case, improvement may be looked forward to in the sales of Canadian apples in Egypt during the coming season.

MARKET REQUIREMENTS

The demand has, so far, been exclusively for boxed apples. The Yellow Newtown, Delicious, Winesap, and Winter Banana, in the order named, are the chief varieties purchased, with a distinct preference being evident for the first two. Early in the season counts of from 64 to 88 are called for; subsequently counts up to 125 can be shipped. The Egyptian market can absorb at the most 16,000 boxes per month.

Regarding barrelled apples, it may be said that they have never been sold in Egypt. The Egyptian clientele has been accustomed to boxed apples, and it appears that, generally speaking, barrelled apples would not entirely meet conditions here as representing too large a quantity for the small retailers, who, after all, are the channels through which apples are distributed in this country. The great majority of these small retailers are hardly able to buy a box of each variety at a time. Moreover, a box of apples can easily be carried by porters from the store house at a nominal cost, whereas barrels would have to be conveyed by other means which, apparently, would be more costly. For the above reasons, it is not believed that much headway can be made in Egypt with barrelled apples, unless there is a substantial difference in price. However, despite prospects not being very promising, it might be worth while for Canadian producers to send quotations to the Cairo office for transmission to apple dealers. It is to be remembered that large sizes are required.

TRADE PRACTICES

The system of payment by irrevocable letter of credit should be adhered to. It is suggested that, should any deviation from this course be contemplated, the Cairo office ought to be consulted before a decision is reached. Quotations must be c.i.f. Alexandria.

SHIPPING FACILITIES

Through rates can be obtained from the Canadian-Indian Line (agents, McLean, Kennedy Ltd., Montreal), with regular sailings from Montreal, P.Q., and Saint John, N.B.; the Girdwood Shipping Co., Vancouver (agents for the Lauritzen Line), with monthly sailings from Vancouver, B.C.; or the American Export Line, with fortnightly sailings from New York.

INSPECTION

All shipments of apples from abroad, whether or not covered by a certificate issued by the competent authorities in the country of origin, are inspected on arrival by officers of the Ministry of Agriculture, and apples affected with San José scale or codling moth are not permitted entry; rejected apples must be destroyed or reshipped. It is, therefore, imperative that apples shipped to Egypt be immune from the above-mentioned diseases.

CUSTOMS DUTIES

There are no trade restrictions in Egypt with respect to apples. The customs duty applicable to this commodity is 240 milliemmes (\$1.24 approximately) per 100 kilos gross, with a surtax of 3 per cent, irrespective of the country of origin.

Palestine

(One Palestine pound is the equivalent of one pound sterling)

Palestine statistics indicate that imports of apples into Palestine amounted in value to £106,289 in 1937 as against £156,957 in 1936. No details are as yet available regarding the share of each supplying country in 1937. In 1936 imports were distributed in value as follows: Australia, £21,851; Canada, £101; Cyprus, £2,556; Union of South Africa, £1,114; Italy, £1,249; Portugal, £694; Roumania, £9,006; Russia, £853; Syria, £5,730; Turkey, £4,927; United States, £108,864; and other countries, £12.

The policy of United States shippers in their dealings with Palestine had much in common with that followed in Egypt, and the consequences were much the same.

GENERAL MARKET INFORMATION

Until last year boxed apples only were imported into Palestine. During the last season, however, some small quantities of barrelled apples from the United States were disposed of in the Palestinian market. The shipments of these enjoyed a certain favour, and it is estimated that, while boxed apples will continue to hold a commanding position, the trade in barrelled apples may well witness satisfactory developments, if prices are attractive.

The varieties of boxed apples wanted in Palestine are, as in the case of Egypt, Yellow Newtown, Delicious, Winesap, and Winter Banana. There is a preference for red apples. The counts in demand are from 138 to 180. Quotations are generally slightly higher for Palestine than for Egypt, owing to a small difference (5 to 10 cents per box) on the ocean freight.

York and Ben Davis, first grade, in sizes 2½ inches and 3 inches, would appear to be the varieties of barrelled apples desired in Palestine.

Trade practices are similar to those obtaining in Egypt and the same shipping facilities are available.

Palestine Customs accept certificates of inspection issued in the country of origin by competent authorities.

No quota or trade restrictions are in force with respect to apples.

DUTIES

The rate of duty on apples imported into Palestine is 3 mils per kilogram, which is approximately \$1.50 per 100 kilos.

BRAZILIAN MARKET FOR READY-TO-WEAR CLOTHING

L. S. GLASS, CANADIAN TRADE COMMISSIONER

(One milreis equals approximately 5.7 cents Canadian)

Rio de Janeiro, August 10, 1938.—The Brazilian import market for ready-to-wear clothing is small, but a limited demand exists for certain articles. This is indicated by Brazilian statistics of imports, although it is possible that many of the items are included under the general unspecified headings, such as "manufactures of silk mixed with wool."

Subdivisions are made according to the basic textile in the article, and under cotton goods 2,530 pounds of neckties valued at \$9,500 were imported in

1937. Hosiery imports totalled 495 pounds (\$3,000), and those of wearing apparel in general 4,365 pounds (\$2,650). Silk is subdivided into artificial and pure silk. Under the former heading imports included 25 pounds of neckties (\$285), 326 pounds of wearing apparel (\$11,300), and no hosiery. Imports under the latter heading were 300 pounds of pure silk neckties (\$3,200), 155 pounds of hosiery (\$3,400), and 402 pounds of wearing apparel (\$20,700). Under wool and linen the only figures available are those for wearing apparel: 4,900 pounds (\$35,500) of wool and 100 pounds (\$1,900) of linen.

LOCAL INDUSTRY

In 1937 over 4,000 establishments in Brazil were catering to the trade. There are few large-scale manufacturers of ready-made clothing, the majority probably employing not more than a dozen hands each and meeting a more or less local demand. At least 90 per cent of the women's clothing which is not made in the home is made by dressmakers. Many of the retail shops maintain a dressmaking section, copying models, and making garments from their own designs or those submitted by their customers.

By far the greater proportion of men's clothing is made in tailoring establishments. There is little sale for ready-made suits, except those of inferior quality and workmanship to meet the lowest income range of the public. The Rio de Janeiro telephone directory lists over 500 tailors.

CUSTOMS DUTIES

The local industry is well protected by a high customs tariff which is rather complicated in its application, as in many instances the duties are based upon a percentage increase in the duty levied on the textile from which the clothing is made, and the duties on the textiles depend very often on classification according to weight per square metre and number of threads in a 5-millimetre (0.197 inch) square.

In practically every instance it will be found that increased duties are payable on articles which are "embroidered or trimmed," the interpretation of which is left to the examining officer at the customs house. Generally speaking, embroidered materials are those with lace insets, open work not inherent to the cloth itself, or fancy work of any description, such as crocheting, hemstitching, etc. Trimmed might mean in the case of men's clothing the working of initials or a design, or perhaps the edging of seams with braid or cord. In the case of women's clothing the addition, for example, of collar and cuffs of a material or colour other than that of the dress itself would be considered trimming.

Furthermore, for the textiles themselves there is usually an allowance for an increase in duty if the piece-goods have been in any way trimmed or embroidered, that is to say, should a piece of serge have a pattern worked on it in braid, in sequins, in differently coloured thread or thread of material other than that of the cloth itself.

Besides the customs duties, there are other taxes which must be taken into account. On all transactions involving payment abroad in foreign currency 3 per cent of the c.i.f. value must be paid to the Brazilian Government in milrês at the time of purchase of foreign exchange for remittance. There is in addition a 1½ per cent consignment tax, and also a consumption tax which is paid on all goods imported or locally manufactured. The consumption tax is based on a specific rate per unit and, although in the case of high-priced articles it has little bearing on the final retail price, it becomes of no little importance in the case of cheap bulk articles.

METHOD OF DOING BUSINESS

It is most desirable to have a local representative who will sell to the larger stores handling men's or women's clothing, of which there are relatively few. The small specialty shops, as a rule, cannot afford to import nor would the amount of business developing from them be worth the trouble of shipping. There are no wholesale jobbing houses; therefore, all business must be done with the retailer.

Prices must be quoted c.i.f. Rio de Janeiro and Santos and should include an agent's commission of at least 10 per cent and, furthermore, some idea of weights should be given as a basis for calculation of duties.

In many instances terms of 30 to 60 days would be demanded by the importer, and such terms under the present system of exchange control in Brazil would mean that foreign exchange would not be remitted in less than 120 days after the due date of the draft. This delay in paying is temporary, being due to shortage of foreign exchange in Brazil; it is the result of a government measure and reflects in no way upon the credit risk of the individual firms.

WOMEN'S CLOTHING

DRESSES

Considered opinion is that Canadian exporters may anticipate no opening whatsoever for women's ready-to-wear dresses of any type or price range.

LINGERIE

Smooth goods and knitted goods are used in Brazil almost equally for the production of women's lingerie. The machine-knit is, of course, the cheaper, and in the case of women's slips retail prices range from 30 milreis (\$2.10) to 85 milreis (\$4.85); for smooth silk slips prices are from 60 milreis (\$3.40) to 140 milreis (\$8). The many varieties of step-ins to which Canadians are accustomed are not available in Brazil, there being practically only one type, and the variations in price depend, as is also the case with all other items of lingerie, on the type of material which is used and the amount of lace with which they are trimmed. The average Brazilian prefers the greatest amount of lace possible. Prices of knitted step-ins range from 8 milreis (\$0.45) to 45 milreis (\$2.50), and for the smooth silk from 50 milreis (\$2.85) to 100 milreis (\$5.70).

Brassieres range in price from 9.5 milreis (\$0.55) to 20 milreis (\$1.15).

Sets—which are popular in Brazil, and which include slip, step-ins, and nightgowns—of knitted material are sold at from 45 milreis (\$2.50) to 175 milreis (\$10) for elaborate outfits, while those of smooth silk, which are usually very fine hand-made, with real lace in the higher price range, sell for from 268 milreis (\$15) to 460 milreis (\$26).

Nightgowns are sold at from 25 milreis (\$1.40) to 100 milreis (\$5.70), and in smooth silk from 120 milreis (\$6.75) to 200 milreis (\$10.50).

Pyjamas, which are not particularly popular except for the beach, range in price from 45 milreis (\$2.55) to 160 milreis (\$9). These are all made of knitted material.

Dressing gowns average around 130 milreis (\$7.50) for smooth silk, but may be bought for as low as 23 milreis (\$1.35) in flannelette; in the specialty shops prices may be considerably higher.

Lingerie is made, generally, of pure or artificial silk and is dutiable at the rate on the cloth plus 25 per cent. As in most instances the rate on lace of any material is higher than on silk piece-goods, it may be assumed that all lingerie will be assessed a further 25 per cent of the total duties as being embroidered or trimmed.

HOSIERY

In 1934 the local factories turned out some 230,000,000 pairs of hose, nearly six pairs for every man, woman, and child. There is a small import trade done in extra sheer French hosiery, and a small quantity of a well-known United States brand is also sold. Nationally produced silk hose range from 11 milreis (\$0.65) to 28 milreis (\$1.60) per pair. United States brands, worn to a great extent by the foreign residents, retail at from approximately \$2 to \$4 per pair. Cotton hosiery is not worn much except by labourers' families and domestic servants. Such hosiery sells for around 6 milreis (\$0.35) per pair.

Duties on silk hosiery are 7.117 milreis (\$0.40) per pair, if not longer than 20 cms. (7.87 inches), and 10.670 milreis (\$0.61) per pair if over that length in the foot.

SUNDRIES

No market exists in Brazil for other articles of women's attire because of cheap local production and high customs tariffs, with the exception of small amounts of high-grade purses, bathing suits, and novelties.

MEN'S WEAR

Generally speaking, conditions with respect to women's wear are the same for imported men's wear. There are, however, opportunities for the sale of high-class shirts, handkerchiefs, and neckties, with smaller prospects for socks and pyjamas. For underwear, ready-made suits, and other lines of haberdashery there are no prospects owing to the development of the local industry.

SHIRTS

Imported men's shirts are frequently displayed, although the majority offered for sale are of local manufacture. There are many small shops which have their own cutting establishments and make shirts to measure. The prices of locally produced shirts which correspond in value to those which retail at from \$1 to \$1.50 in Canada range from 20 to 30 milreis (\$1.15 to \$1.70). The medium-class shirts sell at from 30 to 50 milreis (\$1.70 to \$2.85), while those of first quality sell at from 50 milreis to 100 milreis (\$2.85 to \$5.70). Extremely fine materials and silk weaves may cost as high as 160 milreis (\$8.50). White sport shirts sell at from 10 to 15 milreis (\$0.60 to \$0.80).

Duties on men's cotton shirts are 4.290 milreis (\$0.25) each when made of stockinet or knitted material, otherwise they are assessed double the duty on the cloth plus 20 per cent. If made of any linen material, plain or pleated, the duties are 20.002 milreis (\$0.35) each, and if embroidered or trimmed, a further 30 per cent is added as in the case of cotton shirts. Shirts of wool are dutiable at double the rate on the fabric plus 10 per cent. Silk shirts are assessed double the duty on the fabric plus 50 per cent.

NECKTIES

There is a market in Brazil for high-grade neckwear, but it must be of the very finest quality. Cheap ties are not saleable in Brazil because of high duties. They are sold at 5 milreis (\$0.30) each or even less. Good average grade ties may be obtained at from 12 milreis (\$0.65) to 30 milreis (\$1.70), while the prices of the best qualities are around 48 milreis (\$2.75) and up. Imported ties generally range in price from 25 milreis (\$1.50) upward. Wool ties are dutiable on the basis of the type of fabric plus 10 per cent. Silk ties, whether of artificial or pure silk, are dutiable at 266.673 milreis per kilo net (\$7 per pound); if embroidered or trimmed the duties are 346.606 milreis per kilo net (\$9 per

pound). Cotton ties (which are not worn to any extent), plain, are dutiable at 57.2 milreis per kilo net (\$1.75 per pound); and if embroidered, at 80.080 milreis per kilo net (\$2.10 per pound). The duty on linen ties is the same as on those of cotton.

Market possibilities for products of high quality are good.

SOCKS

Only small quantities of wool socks are imported from England and some from the Continent. Silk socks are made locally and prices are so low as to make competition impossible for imported goods. Wool socks retail at from 5 milreis (\$0.30) to 15 milreis (\$0.85) for the cheaper lines, while fine imported socks sell at from 20 milreis (\$1.15) to 40 milreis (\$2.30), the average price being around 25 milreis (\$1.40). Duties on socks up to 20 cm. in the foot are 1.430 milreis (\$0.08) per pair and 2.860 milreis (\$0.16) for those over 20 cm.

UNDERCLOTHING

It is impossible to compete with locally manufactured underwear in Brazil, especially as cotton shorts and knitted undershirts are worn throughout the year, together with a small amount of de luxe articles of silk. Shorts may be bought for as low as 3.5 milreis (\$0.20) for the knitted net type, the average price running from 7 milreis (\$0.40) to 10 milreis (\$0.60). Shirts are sold at from 5.5 milreis (\$0.30) to 18 milreis (\$1). Duties on these are the same as for ordinary shirts.

PYJAMAS

There is a small market for silk and cotton pyjamas of high quality. They must, however, be plain, as the addition of any monograms or other trimming makes the duties prohibitive. Prices for men's pyjamas are 30 milreis (\$1.70) for the cheaper lines, 35 milreis (\$2) to 50 milreis (\$2.85) for a good average quality, and 100 milreis (\$5.70) for silk and poplin.

SUNDRIES

Besides the above there are small importations of fine linen handkerchiefs, both for men and women. The market, however, is exceptionally small. Men's sundries, such as braces, garters, etc., are locally manufactured, although there is a certain importation of well-known foreign brands which are stocked mostly for sale to the foreign population. Men's and women's hats are practically non-competitive in the face of a well-developed local industry. Men's hats of very good quality may be purchased for 50 milreis (\$2.75), and women's shapes for 10 milreis (\$0.57).

TARIFF CHANGES AND CUSTOMS REGULATIONS

Bermuda

IMPORTATION OF POTATOES RESTRICTED

With reference to the notice in *Commercial Intelligence Journal* No. 1805 (September 3, 1938), page 399, Mr. D. S. Cole, Canadian Trade Commissioner in New York, writes that the importation of potatoes, other than seed potatoes and sweet potatoes, into Bermuda is prohibited for the period August 18 to September 26, 1938.

Burma

TARIFF REDUCTIONS ON WOOD-PULP AND PAPER

Mr. Paul Sykes, Canadian Trade Commissioner at Calcutta, has forwarded a copy of Burma Department of Commerce and Industry Notification dated August 15, 1938, reducing the duty on wood-pulp, Item No. 43, from 56½ rupees per ton of 2,240 pounds to 45 rupees (\$16.20) per ton. The rate on "printing paper (excluding chrome, marble, flint, poster, and stereo), all sorts, which contain no mechanical wood-pulp or in which the mechanical wood-pulp amounts to less than 70 per cent of the fibre content," Item No. 44(1), has been reduced from one anna and three pies per pound to one anna per pound (\$2.30 per 100 pounds). The rate on Item No. 44(3)a, "writing paper, ruled or printed forms (including letter paper with printed headings) and account and manuscript books and bindings thereof," has been reduced from one anna and three pies per pound with a minimum rate of 18¾ per cent ad valorem to one anna per pound with a minimum rate of 15 per cent ad valorem. The duty on "writing paper, all other sorts," has been reduced from one anna and three pies per pound to one anna per pound.

The rupee (16 annas) equals 36 cents Canadian at prevailing exchange rates; one anna equals 12 pies.

Belgium

IMPORT LICENCES ON PAPER AND CARDBOARD

Mr. Maurice Bélanger, Acting Trade Commissioner at Brussels, advises under date August 29 that a royal decree published in the *Moniteur Belge* of August 27 provides that, beginning August 29, the importation of certain kinds of paper and cardboard into Belgium and Luxemburg will be subject to the granting of import licences by the Belgian Government.

The following items are affected:—

(1) Wrapping paper, n.o.p., in sheets or rolls, weighing between 40 and 300 grams per square metre, other than "crystal" and "greaseproof" papers (tariff item 733c).

(2) Paper and cardboard, n.o.p., containing not more than 10 per cent of mechanical wood-pulp (item 752). Writing and book papers are included in this item as well as other paper and board not specially treated, printed, ruled, coated, impregnated, etc. Wallpapers, cigarette papers, blotting paper, carbon paper, photographic paper, corrugated paper and board, and all paper and board generally having received a special treatment or form are mentioned separately in the tariff and consequently are not affected by this decree.

(3) Paper and cardboard, n.o.p., containing more than 10 per cent of mechanical wood-pulp (item 753). This item does not include newsprint but includes insulating and similar boards.

LICENCE TAXES ON WHEAT AND WHEAT FLOUR

Mr. Maurice Bélanger, Assistant Trade Commissioner at Brussels, advises that under a Belgian decree effective September 15, 1938, the import licence tax on wheat is increased from 10 to 20 francs per 100 kilograms (from 15 to 30 cents per 100 pounds) and on wheat flour from 14 to 26.50 francs per 100 kilograms (from 21½ to 41 cents per 100 pounds). The establishment of licence taxes on wheat and wheat flour was reported in *Commercial Intelligence Journal* No. 1800 (July 30, 1938), page 185, and No. 1801 (August 6, 1938), page 218.

Dominican Republic

TRADE-MARK LAW

Mr. C. S. Bissett, Canadian Trade Commissioner at Havana, writes under date August 15 that the law governing the registering of trade-marks in the Dominican Republic has recently been republished, as amended to date, in the *Bulletin of the Inter-American Trade-mark Bureau*, Havana. By this law the cost of registration is set at 26 Dominican pesos for ten years' coverage, 31 pesos for fifteen years, and 36 pesos for twenty years. The Dominican peso at par is equivalent to the United States dollar.

A copy of the complete law is on file at the Department of Trade and Commerce, Ottawa.

Mexico

REDUCTIONS IN IMPORT DUTIES

Mr. R. T. Young, Canadian Trade Commissioner in Mexico, writes under date September 8, 1938, that a Mexican decree effective August 30 reduced the import duties on a wide range of crude and semi-manufactured products, but restored the rates of duty on passenger automobiles to the higher levels which were in force from January 18 to May 1 of this year, and doubled the import duties on buses, while a number of modifications were introduced in the rates of duty on materials and parts used in the assembly of automobiles in Mexico.

Among the crude and semi-manufactured products to which the new reduced rates of duty apply are: rayon yarns, crude and artificial rubber, fertilizers of all kinds, miscellaneous chemical products, glues and sizes, plastic materials and manufactures thereof, mechanical wood-pulp and cellulose pulp, unmanufactured metals, and certain canned vegetables. Among the duty reductions were a number of items on which the import duties had been sharply increased by the decree of December 31, 1937, and on which intermediate duties had been in effect since May 1 of the current year. (See *Commercial Intelligence Journal* No. 1775: February 5, 1938, page 184.)

Information regarding new rates of duty may be obtained from the Department of Trade and Commerce, Ottawa.

TENDERS INVITED

New Zealand

Copies of specifications have been received from Mr. W. F. Bull, Canadian Trade Commissioner at Auckland, New Zealand, for equipment required by the Public Works Department, Wellington. These specifications are open for inspection at the Department of Trade and Commerce, Ottawa. Tenders should be addressed to the Secretary, Public Works Supplies and Tenders Committee, Wellington, in accordance with these specifications.

Particulars are as follows:—

Public Works Department.—Section 615. Arapuni Scheme: 2,250 kva. transformer bank and spare (tenders close November 15, 1938).

FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING SEPT. 19, 1938

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, September 19, 1938, and for the week ending Monday, September 12, 1938, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending Sept. 12	Nominal Quotations in Montreal Week ending Sept. 19	Official Bank Rate
Austria	Schilling	.1407	.....	.....	—
Belgium	Belga	.1001	\$.1692	\$.1697	3
Bulgaria	Lev	.0072	.0125	.0125	6
Czechoslovakia	Koruna	.0296	.0347	.0346	3
Denmark	Krone	.2680	.2157	.2155	4
Finland	Markka	.0252	.0213	.0213	4
France	Franc	.0392	.0271	.0270	2½
Germany	Reichsmark	.2382	.4023	.4023	4
Great Britain	Pound	4.8666	4.8320	4.8300	2
Greece	Drachma	.0130	.0088	.0088	6
Holland	Guilder	.4020	.5418	.5414	2
Hungary	Pengo	.1749	.2980	.2982	4
	Unofficial		.1975	.1976	—
Italy	Lira	.0526	.0528	.0529	4½
Yugoslavia	Dinar	.0176	.0230	.0229	5
Norway	Krone	.2680	.2428	.2427	1½
Poland	Zloty	.1122	.1891	.1892	4½
Portugal	Escudo	.0442	.0438	.0435	4-4½
Roumania	Leu	.0060	.0073	.0073	3½
Spain	Peseta	.1930	.0524	.0513	5
Sweden	Krona	.2680	.2491	.2490	2½
Switzerland	Franc	.1930	.2269	.2269	1½
United States	Dollar	1.0000	1.0050	1.0056	1
Mexico	Peso	.4985	.1935	.1933	3
Cuba	Peso	1.0000	1.0043	1.0050	—
Guadeloupe	Franc	.0392	.0271	.0270	—
Jamaica	Pound	4.8666	4.8420	4.9400	—
Martinique	Franc	.0392	.0271	.0270	—
Other British West Indies	Dollar	1.0138	1.0066	1.0061	—
Argentina	Peso (Paper)	.4245	.3221	.3219	3½
	Unofficial		.2538	.2544	—
Brazil	Milreis (Paper)	.1193	.0590	.0588	—
British Guiana	Dollar	1.0138	1.0066	1.0060	3-4½
Chile	Peso	.1217	.0521	.0521	—
	Unofficial		.0402	.0400	—
Colombia	Peso	.9733	.5702	.5690	—
Peru	Sol	.2800	.2010	.2011	—
Venezuela	Bolivar	.1930	.3015	.3017	—
Uruguay	Peso	1.0342	.6371	.6356	—
South Africa	Pound	4.8666	4.8259	4.8237	3½
Egypt	Pound (100 Piastres)	4.9431	4.9540	4.9475	—
China (Shanghai)	Dollar	.....	.1705	.1754	—
Hongkong	Dollar	.....	.3013	.3010	—
India	Rupee	.3650	.3605	.3602	3
Japan	Yen	.4985	.2817	.2814	3.29
Java	Guilder	.4020	.5417	.5417	—
Siam	Baht (Tical)	.4424	.4432	.4425	—
Straits Settlements	Dollar	.5678	.5605	.5603	—
Australia	Pound	4.8666	3.8650	3.8630	3
New Zealand	Pound	4.8666	3.8970	3.8950	2

The Dominion Bureau of Statistics has supplied the following note:—

Although supported by the equalization fund, the British pound opened about ½ cent below the previous week's close and moved still lower to \$4.8253 on September 14. Markets strengthened on the following day, concurrently with reports of the opening of negotiations concerning the European crisis, and sterling moved up to \$4.8346, the highest level reached since September 8. A ¼ cent decline immediately followed, but by the close of the week sterling was again higher at \$4.8294. London gold prices reached the highest on record at 144s. 11d. on September 14, but broke later in the week as insurance rates on gold bullion shipments were revised sharply upward. Among other currencies the greatest activity was shown by the United States dollar, the Dutch guilder, and to a lesser extent the French franc. Movements of the French franc held between 2.70 cents on September 13 to 2.71 cents from the 14th onward. The Netherlands florin reached a high for the period of 54.17 cents on September 15, dropped back to the opening quotation of 54.11 cents on the 16th, and closed at 54.14 cents. Premiums on United States dollars mounted intermittently from ½ of 1 per cent on the 13th to ⅝ of 1 per cent on the 17th, but declined ⅙ to ⅙ of 1 per cent in the final day's trading.

TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

Secretary, Board of Trade—

Saint John, N.B.
Halifax, N.S.
Quebec, P.Q.
Montreal, P.Q.
Toronto, Ont.
Chatham, Ont.

Kitchener, Ont.
Brantford, Ont.
Stratford, Ont.
Woodstock, Ont.
St. Mary's, Ont.
Portage la Prairie, Man.

St. Boniface, Man.
Winnipeg, Man.
Vancouver, B.C.
New Westminster, B.C.

Secretary, Chamber of Commerce—

Sherbrooke, P.Q.
Kingston, Ont.
Oshawa, Ont.
Belleville, Ont.

Peterborough, Ont.
London, Ont.
St. Catharines, Ont.
Hamilton, Ont.

Victoria, B.C.
Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.—

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

Secretary, Canadian Manufacturers Association—

Secretary Canadian Manufacturers Association—

Toronto, Ont.
Montreal, P.Q.

Winnipeg, Man.
Edmonton, Alta.

Vancouver, B.C.
Victoria, B.C.

Director, Trade Extension, Victoria, B.C.

Commodity	No.	Location of Inquirer	Purchase or Agency
Foodstuffs and Feedstuffs—			
Pickles.....	482	Hongkong.....	Purchase and Agency.
Middlings.....	483	Bristol, England.....	Purchase or Agency.
Feedstuffs (Ground Oats, Barley Meal, and Alfalfa Meal).....	484-486	Bristol, England.....	Purchase.
Miscellaneous—			
Ladies' Brush Sets.....	487	Auckland, New Zealand...	Agency.
Women's Shoes.....	488	Auckland, New Zealand...	Purchase or Agency.
Washing Machines.....	489	Auckland, New Zealand...	Agency.
Washing Machines.....	490	Christchurch, New Zealand	Agency.
Lactic Casein.....	491	Trefores, South Wales....	Purchase.
Whip Gut.....	492	Birmingham, England....	Purchase.
Automobiles and/or Automobile Equipment.....	493	Birmingham, England....	Agency.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Montreal

To Liverpool.—Duchess of Bedford, Sept. 30 and Oct. 28; Duchess of Richmond, Oct. 7; Duchess of York, Oct. 14; Duchess of Atholl, Oct. 21—all Canadian Pacific; Andania, Oct. 7 and Nov. 4; Antonia, Oct. 21—both Cunard-White Star Line; Taborfjell, Oct. 8; Glitrefjell, Oct. 29—both Fjell Line.

To London.—Beaverhill, Sept. 30; Beaverburn, Oct. 7; Beaverville, Oct. 14; Beaverford, Oct. 21; Beaverbrae, Oct. 28—all Canadian Pacific; Ausonia, Sept. 30; Alaunia, Oct. 7; Aurania, Oct. 14; Ascania, Oct. 21—all Cunard-White Star Line; Ornefjell, Oct. 5; Carmelfjell, Oct. 19; Tindeffjell, Nov. 2—all Fjell Line.

To Manchester.—Manchester Port, Sept. 29; Manchester Commerce, Oct. 6; Manchester Progress, Oct. 13; Manchester Citizen, Oct. 20; Manchester City, Oct. 27—all Manchester Line; Taborfjell, Oct. 8; Glitrefjell, Oct. 29—both Fjell Line.

To Southampton.—Montrose, Canadian Pacific, Oct. 1 and 29.

To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.—Bristol City, Sept. 28; New York City, Oct. 17; Boston City, Nov. 4—all Bristol City and Dominion Lines; Dako-

tian, Oct. 7; Norwegian, Oct. 26; Dorelian, Nov. 12—all Cunard-Donaldson and Dominion Lines.

To Glasgow.—Letitia, Sept. 30; Sulairia, Oct. 7; Athenia, Oct. 14; Delilian, Oct. 21—all Donaldson-Atlantic Line.

To Newcastle and Leith.—Cairmona, Sept. 28; Cairnross, Oct. 5; Cairnvalona, Oct. 12; Cairnglen (also calls at Dundee), Oct. 19; Cairnesk, Nov. 2—all Cairn-Thomson Line.

To Aberdeen and Hull.—Consuelo, Oct. 13; Bassano, Oct. 28; Kelso, Nov. 10—all Ellerman's Wilson Line.

To Dublin and Belfast.—Melmore Head, Oct. 9; Torr Head, Oct. 27—both Head Line (cargo accepted for Cork and Londonderry).

To Hamburg and Bremen.—Beaverhill, Sept. 30; Beaverbrae, Oct. 28—both Canadian Pacific (do not call at Bremen); Augsburg, North German Lloyd Line, Oct. 21; Bochum, Hamburg-American Line, Nov. 18.

To Copenhagen, Gothenburg, Stockholm and Helsingfors.—Braheholm, Oct. 3; Lagaholm, Oct. 21—both Swedish-America-Mexico Line.

To Norwegian Ports.—Tabortfjell, Oct. 8; Glitrefjell, Oct. 29—both Fjell Line; Idefjord, Oct. 29; Randsfjord, Nov. 5—both Norwegian-American Line.

To Antwerp and Havre.—Montrose, Oct. 1 and 29; Beaverburn, Oct. 7; Beaverville, Oct. 14; Beaverford, Oct. 21—all Canadian Pacific (do not call at Havre); Brant County, Sept. 30; August (does not call at Havre), Oct. 14; Flint 2 (does not call at Antwerp), Oct. 20—all County Line; Ornefjell, Oct. 5; Carmelfjell, Oct. 19; Tindefjell, Nov. 2—all Fjell Line (do not call at Havre).

To Rotterdam.—Grey County, Oct. 10; Flint 2, Oct. 20; Lista, Nov. 6—all County Line; Ornefjell, Oct. 5; Carmelfjell, Oct. 19; Tindefjell, Nov. 2—all Fjell Line.

To Marseilles, Genoa, Leghorn, Naples, Messina, Palermo, Gibraltar and Lisbon.—Capo Noli, Oct. 1; Capo Lena, Oct. 22—both Capo Line (will also call at Cadiz and/or Seville and/or Casablanca if sufficient cargo offers).

To St. John's, Nfld.—Lab (also calls at Harbour Grace, Bay Roberts, Carbonear, Port Union, Twillingate, Moreton's Harbour and Botwood), Oct. 1; Bencas (also calls at Channel, English Harbour, Grand Bank, Harbour Buffet, St. Lawrence and Bay Bulls), Oct. 5 or 6; Anna (also calls at Harbour Grace, Bay Roberts, Carbonear and Port Union), Oct. 17; Mosna, Oct. 20 or 21—all Shaw Line (will call at other Newfoundland south coast ports as cargo offerings warrant); Belle Isle, Newfoundland-Canada SS. Ltd., Oct. 7 and 21 (also calls at St. Pierre-Miquelon).

To Cornerbrook, Nfld.—New Northland, Sept. 26 and Oct. 10; Gaspesia, Oct. 5 and 19—both Clarke SS. Co.

To Puerto Rico, Barbados, Trinidad and Demerara.—Colborne, Sept. 29; Cornwallis, Oct. 13; Chomedy, Oct. 27—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To Hamilton, Nassau, Kingston and Belize.—Lady Rodney, Sept. 28; Cavalier (calls at Kingston only), Oct. 7; Lady Somers, Oct. 12; Cathcart (calls at Kingston only), Oct. 21—all Canadian National.

To Bermuda, St. Kitts, Antigua, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Maud, Oct. 7; Heroy, Oct. 22—both Ocean Dominion SS. Corp. (call at Guadeloupe and Martinique if sufficient cargo offered).

To Santos and Buenos Aires.—Ravnaas (also calls at Rio de Janeiro), Oct. 12; Hektor (will call at Rio de Janeiro if sufficient cargo offered), Oct. 27—both International Freighting Corp.

To Brisbane, Sydney, Melbourne and Adelaide.—Port Halifax, Sept. 30; City of Delhi, Oct. 30—both Montreal Australia New Zealand Line (will also call at Geelong).

To Auckland, Wellington, Lyttelton and Dunedin.—Kaipara, Montreal Australia New Zealand Line, Oct. 21.

To Cape Town, Port Elizabeth, East London and Durban.—Calumet (also calls at Free-town, Lourenco Marques and Beira), Sept. 27; Cochrane, Oct. 30—both Elder Dempster Lines Ltd.

To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Madras, Rangoon, Calcutta and Singapore.—City of Bath, Sept. 28; a steamer, Oct. 15—both Canada-India Service.

To Manila, Hongkong and Shanghai.—Phemius, Blue Funnel Line, Oct. 20.

From Quebec

To Southampton.—Empress of Britain, Canadian Pacific, Oct. 8 and 22, Nov. 5.

From Halifax

To Liverpool.—Nova Scotia, Oct. 8; Newfoundland, Oct. 25—both Furness Line; Manchester Exporter, Sept. 26; Manchester Producer, Oct. 13; Manchester Brigade, Oct. 31—all Manchester Line.

To London and Rotterdam.—Tiradentes, Oct. 1; Maasdam, Oct. 8; Edam, Oct. 24; Binnendijk, Nov. 2—all Holland-America Line.

To Manchester.—Manchester Division, Sept. 25; Manchester Port, Oct. 2; Manchester Commerce, Oct. 9; Manchester Progress, Oct. 16; Manchester Citizen, Oct. 23; Manchester Regiment, Oct. 30—all Manchester Line.

To Newcastle.—Cairnmona, Oct. 1; Cairnross, Oct. 8; Cairnvalona, Oct. 15; Cairnesk, Nov. 5—all Cairn-Thomson Line.

To Cardiff and Bristol.—Bristol City, Oct. 1; New York City, Oct. 20; Boston City, Nov. 7—all Bristol City and Dominion Lines.

To St. John's, Nfld.—Fort Townshend, Sept. 26, Oct. 10 and 24; Fort Amherst, Oct. 3, 17 and 31—both Furness-Red Cross Line (also call at St. Pierre); Portia, Newfoundland Rys. and SS. Co., Sept. 28; Magnhild (also calls at St. Pierre and Newfoundland outports), Newfoundland-Canada SS. Ltd., Oct. 3 and 17; Nova Scotia, Oct. 8; Newfoundland, Oct. 25—both Furness Line.

To Kingston, Jamaica.—Cathcart, Sept. 26 and Oct. 24; Cavalier, Oct. 10—both Canadian National.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Drake, Oct. 6; Lady Nelson, Oct. 20; Lady Hawkins, Nov. 3—all Canadian National; Lundby, Sept. 28; Maud, Oct. 12; Heroy, Oct. 27—all Ocean Dominion SS. Corp. (call at Guadeloupe and Martinique if sufficient cargo offered but not at Nevis or Montserrat).

To Puerto Rico, Barbados, Trinidad and Demerara.—Colborne, Oct. 3; Cornwallis, Oct. 17; Chomedy, Oct. 31—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To Santiago (Cuba) and Kingston (Jamaica).—Lillemor, Oct. 5; Kirsten B., Oct. 19—both Pickford & Black Ltd. (also call at Jamaican outports as cargo offers).

To Far East Ports.—Chinese Prince, Furness-Prince Line, Oct. 22; Silversandal, Oct. 4; Silveryew, Nov. 3—both Silver Line.

From Saint John

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Drake, Sept. 28; Lady Nelson, Oct. 12; Lady Hawkins, Oct. 26—all Canadian National.

To Kingston and Jamaican Outports.—Crawford Ellis, United Fruit Co., Oct. 7 and 21 (cargo accepted for Caribbean, Central and South American ports with transshipment at Kingston).

From Vancouver

To Yokohama, Kobe and Osaka.—Hikawa Maru, Oct. 1; Hie Maru, Oct. 15; Heian Maru, Oct. 29—all Nippon Yusen Kaisha.

To Yokohama, Kobe, Shanghai, Hongkong and Manila.—Empress of Russia (calls at Nagasaki), Oct. 1; Empress of Japan (calls at Honolulu), Oct. 14; Empress of Asia (calls at Nagasaki), Oct. 29; Empress of Canada (calls at Honolulu), Nov. 12—all Canadian Pacific; Tyndareus, Oct. 4; Ixion, Nov. 3—both Blue Funnel Line (call at Miike but not at Manila).

To Tsingtao and Shanghai.—Gemstone (does not call at Shanghai), about Sept. 30; Ruperra, about Sept. 30—both North Pacific Shipping Co. Ltd.

To Honolulu, Suva, Auckland and Sydney.—Aorangi, Sept. 28; Niagara, Oct. 26—both Canadian-Australasian Line.

To Manila, Iloilo, Cebu, Soerabaya, Samarang, Batavia, Colombo and Bombay.—Tosari (calls at Saigon, Singapore and Persian Gulf ports, also at Port Swettenham and Belawan Deli if cargo offers), Oct. 1; Silverlaurel (calls at Belawan Deli, will also call at Singapore and Port Swettenham if cargo offers), Oct. 24; Hoegh Silverlight (calls at Saigon, Singapore and Persian Gulf ports, also at Port Swettenham and Belawan Deli if cargo offers), Nov. 1—all Silver-Java Pacific Line.

To Papeete, Auckland, Wellington, Dunedin, Melbourne and Sydney.—Speybank (also calls at Lyttelton), Oct. 2; Limerick (calls at Lyttelton but not at Dunedin), Oct. 20—both Canadian-Australasian Line.

To Brisbane, Sydney, Melbourne and Adelaide.—Tolken, Empire Shipping Co. Ltd., Oct. 10.

To London, Plymouth and Swedish Ports.—Margaret Johnson, Johnson Line, Sept. 30.

To London, Liverpool and Rotterdam.—Lochkatrine, North Pacific Coast Line, Oct. 1.

To Antwerp, Hamburg and Bremen.—Schwaben, Oct. 3; Weser, Nov. 1—both North German Lloyd Line.

To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.—San Jose, Oct. 7; Wisconsin, Oct. 24; Barfleur, Oct. 31—all Empire Shipping Co. Ltd.

To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.—Fella, Oct. 11; Rialto, Nov. 6—both Empire Shipping Co. Ltd.

To Port of Spain (Trinidad) and Bridgetown (Barbados).—Bonnington Court, Canadian Transport Co., about Sept. 30.

To Cape Town, Port Elizabeth, East London, Durban and Lourenco Marques.—Silverwillow, Oct. 7; Modjokerto, Nov. 5—both Silver-Java Pacific Line (call at Beira and Calcutta, will also call at Colombo and Madras if sufficient cargo offers).

To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.—Hoyanger, Sept. 26; Leikanger, Oct. 27—both Empire Shipping Co. Ltd. (will call at West Coast ports if sufficient cargo offered).

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Liverpool: ACTING TRADE COMMISSIONER, Martins Bank Building, Water Street. (Territory includes North of England, Lincolnshire, North Midlands, and North Wales.) *Cable address, Canadian.*

Bristol: E. L. McCOLL, Northcliffe House, Colston Avenue. (Territory includes West of England, South Wales, and South Midlands.) *Cable address, Canadian.*

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Vol. LIX

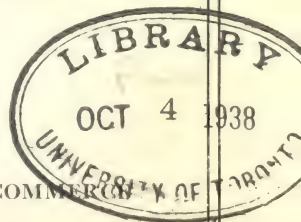
Ottawa, October 1, 1938

No. 1869



Weighing Canadian Oats on discharge from Steamer at
Bristol, England

ISSUED BY AUTHORITY OF
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE
JAMES G. PARMELEE, DEPUTY MINISTER



CONTENTS

	Page
Mr. Buclos to Visit French Indo-China	569
Crop Conditions in England and Wales.....	569
London Market Conditions for Evaporated Apples.....	570
Live Stock Balanced Rations in the West of England, Midlands and South Wales	573
Trinidad Market for Oilfields Supplies: A Correction.....	576
Summary of the Trade of Canada: August	577
Trade Commissioners on Tour	578
Australian Wheat and Flour	578
Markets for Canned Fruits and Vegetables:	
Bahamas Market for Canned Fruits and Vegetables.....	580
Canned Fruits and Vegetables in Jamaica	582
Jamaican Market for Apples	584
Markets for Potatoes:	
Bermuda Market for Canadian Potatoes.....	585
Bahamas Potato Market	587
Potato Market in Brazil	588
South African Forestry Development	591
Indian Paper Market	593
Durum Wheat Situation	599
Wheat and Flour Trade Regulation in Belgium	600
Foreign Trade of the Netherlands, January to June.....	603
Tariff Changes and Customs Regulations	608
Imports into the United States of Products under the Quota Provisions of the Trade Agreement	610
Foreign Exchange Quotations	611
Trade Inquiries for Canadian Products	612
Proposed Sailings from Canadian Ports	612
Commercial Intelligence Service	615

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Vol. LIX

Ottawa, October 1, 1938

No. 1809

MR. DUCLOS TO VISIT FRENCH INDO-CHINA

Mr. V. E. Duclos, Canadian Trade Commissioner at Hongkong, will leave on October 13 to visit Saigon, the chief port of French Indo-China, in the interests of Canadian trade with that country.

Canadian firms wishing to take advantage of the services of Mr. Duclos to establish connections or consolidate their positions in that market are invited to communicate with him without delay at Hongkong (P.O. Box 80).

CROP CONDITIONS IN ENGLAND AND WALES

FREDERIC HUDD, CHIEF CANADIAN TRADE COMMISSIONER IN THE UNITED KINGDOM

London, September 15, 1938.—According to the official report of the Ministry of Agriculture on agricultural conditions in England and Wales as at September 1, 1938, the harvesting of grain, while somewhat later than last year, was general by the second week of the month, except in the north and in Wales.

CEREAL CROPS

The quality and condition of crops are generally good, with wheat the best of the three cereals crops. Blight is reported in a few instances, but is not widespread. In many districts in the north and west some crops have been laid by rain. Reports of spring wheat are variable, but wheat yields generally are expected to be good. For the whole country the present forecast for wheat is 18·8 cwt. per acre or about 1·1 cwt. above the average for the last ten years and 2·7 cwt. above 1937; the area under the crop was 5·6 per cent greater than in 1937.

The areas sown to barley and oats were also larger than last year by 7·7 per cent and 6·2 per cent respectively. Barley is about normal as regards quality and condition, but several districts report shortness of straw. The yield is estimated to be about 16·4 cwt. per acre, which is about 2·4 cwt. above that of last year but only slightly above the ten-year average.

Oats are variable in some districts and, as with barley, several reports indicate straw shortness. The quality of the grain is fairly good, but the estimated yield of 15·7 cwt. per acre is slightly less than the ten-year average and barely $\frac{1}{2}$ cwt. above that of last year.

BEANS AND PEAS

Beans are only a moderate crop and are expected to yield 14·5 cwt. per acre as compared with 17·2 cwt. in 1937 and an average of 16·3 cwt. over the previous ten years. The yield of peas is forecast at 14·9 cwt. per acre as compared with 14·6 cwt. last year and a ten-year average of 14·8 cwt.

REVISED FORECASTS

The forecasts of the production of this year's grain crops published last month have been revised in the light of later information now available. These forecasts are based on estimates made at the end of August and may again be revised when further information is received at the end of September. The revised figures are as follows:—

	1938 Acres	1937 Acres	Forecast Sept. 1, 1938 Tons	Forecast Aug. 1, 1938 Tons	Production 1937 Tons
Wheat..	1,829,000	1,732,000	1,719,000	1,637,000	1,393,000
Barley	886,000	823,000	727,000	691,000	576,000
Oats	1,299,000	1,223,000	1,020,000	1,000,000	938,000

POTATOES

Although earlies were somewhat light, main crops promise to be up to average, and disease is not prevalent. Over the country the estimate is about 6·7 tons per acre, which is slightly higher than the estimate on September 1 last year, although below the final figure of 6·9 tons. From 1928 to 1937 the average estimate at the beginning of September was 6·1 tons per acre and the final estimate 6·6 tons.

ROOTS

Although the August rains have been beneficial, yields of turnips and swedes are expected to be slightly below average. Mangolds have suffered from lack of sunshine, and the yield of this crop is also expected to be slightly below normal. Sugar beet is generally a poor crop. Over nearly half of the area under cultivation bolters are much in evidence, and the crop is likely to be materially below average.

HOPS

The condition of hops has improved considerably of late, and in the main, crops are reported to be healthy. In southeastern counties aphid and mildew have been kept under control, but in the west conditions are less favourable and some blight is reported. Mould appears to be general. Slightly more acreage is devoted to hops this year, and some small increase in yield per acre is expected.

HAY

Haymaking is not yet completed. The quality is only moderate, and a fair proportion has been damaged, although the Eastern Counties have suffered least in this respect. Second cuts, where taken, are frequently heavier than the first. Over the whole country the yield of seeds hay is forecast at 21·4 cwts. per acre, which is considerably below the 1937 figure of 29·2 cwts. and the ten-year average of 26·7 cwts. Meadow hay is also much below average, with an estimated yield of 14·3 cwts. per acre as against 21·2 cwts. in 1937 and the ten-year average of 19·7 cwts.

LONDON MARKET CONDITIONS FOR EVAPORATED APPLES

S. V. ALLEN, ASSISTANT TRADE COMMISSIONER

London, August 23, 1938.—London is the United Kingdom's most important market for dried fruits, and practically all of the evaporated and dried apples imported into this country are landed at and distributed through this port. After Germany, the United Kingdom in recent years has ranked, on the average, as the second largest export market for Canadian evaporated apples. According to Canadian returns, average shipments to this country during the past six years have amounted to 483,650 pounds valued at \$35,930.

IMPORTATIONS

Imports of dried and evaporated apples are not classified separately in the United Kingdom trade returns but are included with dried pears, peaches, and nectarines. Consequently no accurate estimate of the country's total requirements of imported apples of this type can be given. The bulk of such apples sold in this market, however, is of United States origin, shipments from that country to the United Kingdom during the period 1933-36 averaging about 1,500,000 pounds annually. Exports to the United Kingdom in 1936, the latest year for which official figures are available, totalled 1,132,637 pounds.

Canadian trade in dried apples with this country is on a much smaller scale, and annual average imports from Canada during the years 1934-37 inclusive have amounted to around 376,000 pounds. A 1937 figure of 390,000 pounds represents an increase in imports from Canada of this item of nearly 15 per cent over shipments in 1936 of about 340,000 pounds, although imports for the shipping season 1937-38 were only 320,000 pounds as compared with receipts of 472,000 pounds during the corresponding 1936-37 period.

MARKET CONDITIONS

During the latter part of 1937 conditions in the London dried fruit market were rather discouraging, and aggregate receipts of apples and other similar dried tree fruits were below the previous year's level. Since the beginning of the current year, however, the spot position has been encouraging, and the demand of late has been described by one prominent member of the trade as "abnormally good for this time of year." Spot prices for dried fruits such as peaches, pears, prunes, nectarines, and apples have firmed considerably of late, and only limited supplies of last season's production are available locally. Of these fruits, however, prices for apples have shown the least reaction to these favourable conditions.

It should be noted that there is now an extensive and increasing retail trade done in this market in dried fruit salad mixtures, of which evaporated apples are an important ingredient. Formerly, evaporated apples from Canada and the United States found their largest outlet through the baking, hotel, and restaurant trades, but this demand is now filled to a large extent by canned solid-pack apples. It is estimated that around 90 per cent of the imports of Canadian standard apple rings now reach the consumer as part of dried fruit salad mixtures. Consequently spot prices for Canadian evaporated apples are to some extent dependent on the prices ruling for the other dried fruits used in the salad mixtures, and, generally speaking, prices for all dried fruits have been attractive enough during the past six months to encourage mixing and resale in this manner.

PRICE TRENDS

Following is a brief review of the price trends of the various grades of evaporated apples regularly quoted on the London market:—

OREGON-WASHINGTON GRADES

As usual, the greater proportion of the trade during the past year was done in evaporated apple rings packed in Oregon and Washington, Extra Choice being the predominating grade sold. Spot London prices for 1936 pack of this grade in July, 1937, were around 65s. per cwt. in 50-pound boxes as compared with current quotations of 52s. to 55s. for 1937 pack. Opening forward offers on Extra Choice grade in July of last year were in the neighbourhood of 45s. c.i.f., but by November these had declined to around 38s. to 40s. c.i.f. Renewed interest before the end of the year was reflected in stronger prices of 43s., but

by March of this year a further decline to around 37s. had taken place. Spot prices during the same period declined from 60s. to 54s. per cwt. At present forward quotations on this grade for prompt shipment are around 42s. per cwt. c.i.f., while 43s. is quoted for pack from the new crop for September-October shipment.

The high standard of quality achieved and maintained by shippers in Oregon and Washington assures them of a continued outlet in this market despite the customs duty of 10s. 6d. per cwt. to which their product is subject.

CALIFORNIAN GRADES

Prices for Californian packs of evaporated apples have shown a similar tendency during the past year, and supplies were more abundant. Opening forward offers on Extra Choice grade varied between 42s. and 46s. per cwt. c.i.f. in 50-pound boxes. By the end of October, 1937, these had declined to around 37s., and in February and March of this year they reached a low level of from 33s. to 34s. These offers, as usual, were 2s. to 3s. less per cwt. than for similar grades from Oregon and Washington. Californian Choice grades were offered forward during the year at prices ranging from 37s. 6d. per cwt. c.i.f. in August down to 29s. 3d. a few weeks ago. Standard quality rings have been quoted at 31s. 6d. to 27s.

Current forward quotations for these grades from California are: Extra Choice, 43s.; Choice, 35s.; Standard, 29s. The quotation for Californian Standards on a duty-paid landed basis is equivalent to about 41s., which is slightly less than current offers on the corresponding Canadian grade.

NEW YORK STATE PRIME

For the past three seasons at least no quotations have been received in London for New York State Prime quality apple rings. This is attributed to the declining production of evaporated apples in the Eastern United States as well as to the steady improvement in the quality of Pacific Coast packs, which are so extensively used where a good class of product is desired. Moreover, the duty-free entry of Canadian Standard rings for use where a cheaper article is required makes it impossible for New York State Prime quality rings to be sold on a competitive basis.

CANADIAN GRADES

As indicated above, United Kingdom receipts of Canadian evaporated apples during the 1937-38 shipping season were considerably less than during the previous season. The reported sale to Germany of substantial quantities during the early part of this year is assumed to have restricted the quantity available for this market, although depressed conditions and the severe competition from United States packs may have discouraged shippers from offering as freely as during the previous year. As usual, they were largely of Standard grade, although limited arrivals from British Columbia of Choice evaporated rings were reported.

Prices for Standard quality apple rings opened in July, 1937, at 45s. per cwt. c.i.f. for 50-pound boxes, but little interest was shown. In sympathy with offers for United States packs, forward quotations declined to 38s. by the middle of September, and remained at this level for the balance of the season. This figure, at which most of the business was done, compared with an average price of 37s. obtained for the previous year's pack. Spot prices showed a similar downward tendency from December onward, and by the end of June this year were only slightly higher than the season's forward selling prices.

By then, London stocks of Canadian Standard apples were practically cleared up, except for a few parcels of inferior colour for which 37s. to 40s. per cwt., depending on quality, have recently been asked. British Columbian choice rings of excellent quality and white colour brought from 42s. 6d. to 45s. per cwt. c.i.f. during 1937, and current offers on the new pack are at about this level. Packers in Eastern Canada have just submitted c.i.f. offers of 40s. per cwt. for Standard grade rings in 50-pound boxes, at which a small volume of business has already been done. This price, however, does not appear to be attractive as compared with the current offers from the west coast of the United States as quoted in a previous section of this report.

OUTLOOK FOR THIS SEASON

While spot conditions at present in the London dried fruit market are rather good, prospects for the sale of evaporated apples at prices above last year's levels are not promising. The opening forward quotations from the United States on this year's pack are slightly higher than last year, but the turnover to date has been disappointing. Moreover, there is a good demand for Pacific Coast evaporated apples for prompt shipment, and shipments of old pack at lower prices are still being received. Comparing the average quality of United States packs with that of Canadian Standard grades, current prices of Canadian Standard rings are considered to be high. If the demand for dried fruit salad is maintained, however, good-quality Standard grade apples of white colour should find a ready market early in 1939, providing the price is in line with last year's and no appreciable decline in competitive offers from other sources takes place meanwhile.

LIVE STOCK BALANCED RATIONS IN THE WEST OF ENGLAND, MIDLANDS, AND SOUTH WALES

E. L. McCOLL, CANADIAN TRADE COMMISSIONER

Bristol, September 1, 1938.—An inquiry from a West of England provender mill for a Canadian source of supply for various feedstuffs has provided interesting information on the method of feeding live stock known as balanced rations which is prevalent throughout the United Kingdom.

Some Canadian proprietary mixed feeds have been offered on this market without success because the demand is fully met by more than a score of national mills, some of which are the largest in the country. These feeds are advertised and sold under trade names, and technical advice and service is given free to the farmer. However, Canadian exporters supply a considerable proportion of the cereals required, as well as a few meals. As the inquiry includes barley meal and ground oats, an expansion of this trade may be possible.

TOWARD BETTER PRODUCTION

Agricultural research and instruction to farmers by the Ministry of Agriculture, County Farm Institutes, and Agricultural Colleges have never been more effectively and aggressively undertaken in the United Kingdom than they are to-day. More and better food production has become a part of national defence. Balanced rations, therefore, have come in for a share of official and academic attention. The farmer is told that, by feeding scientifically rather than blindly, he will raise healthier stock, obtain more money for his products, and that his poultry and animals will come to optimum condition earlier—the last-mentioned benefit allowing a quicker turnover of capital.

The recipes for balanced rations are almost countless in variety. They differ to fit the requirements of each group of animals and fowl. They are

adjusted to suit age, physical condition, to counteract disease, and to suit the purpose for which the animal is intended.

A few of the large provender mills employ a specialist, who is sometimes a graduate of an agricultural college, to visit their customers' farms, inspect the live stock, offer advice, and prescribe a balanced ration for each of the categories into which the animals and fowl can be placed. The officials of county farm institutes also offer this service.

TREND FROM FARM TO MILL

Some years ago the farmer bought his supplementary feeds separately from his neighbours and from the nearest mill and mixed them himself. This practice is passing. While he endeavours to produce the bulk feeds, consisting of pasture, hay, and root crops such as turnips and swedes, in a great measure he buys his concentrates already mixed from a mill.

Balanced rations are not new to the more advanced farmers, but the mixing has been transferred from the farm to the mill. At least three factors influence this trend. The farmer has been specializing in the face of official and institutional advice. He cultivates a field or two of grain, which he sells. If he maintains a dairy herd he keeps pigs and also makes some cheddar cheese. Generally speaking, that is the extent of his mixed farming. In the main, he produces barely enough hay and roots for his stock. Many farmers are not producing any feeds except grass. It must be remembered that the farmer is handicapped by a shortage of labour. If he had sufficient help he would still be afraid that the balanced rations might not be correctly mixed on his premises. So to a large extent farmers are handing over this work to the mills.

From the quantity of publicity which balanced rations are receiving, both in articles on the subject and by advertisements of provender mills, one would conclude that the farmer is buying more feeds to supplement his own production than in previous years. Investigation shows this is not the case. For decades the farmer has not produced on his farm more than 50 per cent of his feed requirements. His situation in this respect is about the same to-day.

ANALYSES AND INGREDIENTS OF BALANCED RATIONS

Balanced rations are made up of (1) proteins; (2) fats or oils; (3) carbohydrates (starch, sugar, etc.); (4) minerals; (5) fibre; (6) vitamins; (7) water. Provender mills supply to farmers tables or charts which show at a glance the proportion of the different feeds required to make up any given balanced ration. The farmer can buy the full balanced ration already mixed. Some mills do not disclose the ingredients, but sell their mixtures as a proprietary article under a trade name, furnishing only an analysis of the fats, starches, carbohydrates, etc. Other mills sell their mixed rations under trade names and disclose at the same time the ingredients.

BALANCED POULTRY RATIONS

The following are two examples taken at random from a list of twelve balanced poultry rations recommended by a mill:—

<i>Chick Mash</i>	<i>Intensive Layers' Mash</i>	
35 per cent or 7 hundredweights chick basis	15 per cent or 3 hundredweights	intensive
15 per cent or 3 hundredweights bran	layers' basis	
30 per cent or 6 hundredweights yellow maize meal	20 per cent or 4 hundredweights	yellow
20 per cent or 4 hundredweights middlings	10 per cent or 2 hundredweights	Sussex
	ground oats	
	55 per cent or 11 hundredweights	middlings
100 per cent or 1 ton	100 per cent or 1 ton	

The chick basis of the one ration and the intensive layers' basis of the other are undeclared portions of the mash, and are proprietary or commercial secrets of the mill. They will probably contain some of the following feeds: animal protein, carotene, dried grass or alfalfa meal for carotene and vitamin A, minerals, and fish and meat meals for additional vitamins, Sussex ground oats, etc. As the percentages of bran, maize, and middlings are given, this is a case where a portion of the balanced ration is declared.

Here are five examples of the analyses of poultry mashes, the ingredients of which are not declared:—

Description of Mash	Protein Per Cent	Oil Per Cent	Fibre Per Cent
Battery layers'	17	5	6
Chick	18	6	5½
Growers'	16½	5	5
Intensive layers'	18½	5	6
Fatteners	17½	4½	5

CATTLE AND PIG RATIONS

The following examples of cattle and pig ration analyses are taken from the catalogue of another mill:—

Cattle Rations

	Protein Per Cent	Oil Per Cent	Fibre Per Cent
Milk ration cubes	23	5.5	8
Fattening cubes	18	6.5	9
Calf cubes	25	7.5	6

Pig Rations

Sow ration	17.5	3.25	4.75
Pig fattening cubes	15	3	4.75

ASSESSING MONEY VALUES OF FEEDS

There is an extensive list of feedstuffs quoted daily on the various corn exchanges and the miller can select those which offer the best value for the price. Their money values are assessed either in the form of food units or as starch equivalents. In the case of food units the first step is to obtain the percentage content of the carbohydrates, protein, and oil or fat of the commodities to be compared. Then the percentage of carbohydrates is added to two and one-half times that of the oil and protein. Oil and protein are estimated to be worth two and one-half times carbohydrates. For example, a consignment of oats contains the following percentages: crude protein 10.3, oil 4.8, carbohydrates 60. Its food units are figured thus: $(10.3 + 4.8) \times 2.5 + 60 = 97.75$ food units. By the same method the food units for barley or barley meal will work out: $(9.5 + 1.5) \times 2.5 + 67 = 94.5$. A comparison of the quotations of these feeds with their food units will indicate their respective money values. Enough detail has been given to indicate that the English farmer does not feed haphazardly.

PRINCIPAL CEREAL INGREDIENTS

BRAN

Some provender mills prefer white bran for chicken feeds on account of colour, even though the final shade is dark when mixed with fish meal and other ingredients. Nevertheless, they use red bran for other purposes as they realize it contains about 18 per cent of protein against 13 per cent for the white variety, the oil and fibre being about the same. On the whole, the degree of whiteness is an important factor in all wheat offals. Care has to be exercised that they contain no undeclared foreign matter.

WHEATMEAL

Wheatmeal is the whole wheat, including the germ, and therefore is expected to have a vitamin content. There is a good demand for this commodity.

MIDDINGS

Here again, as in the case of bran, the whiter the middlings the better the demand. Some chicken feeds will not sell unless they are white, and for these only white middlings are used. Shorts will not suffice; they leave the mash too dark. Chicken farmers are afraid of weed seeds which may upset the young fowl, and so the presence of dark specks renders feed middlings suspect.

BARLEY MEAL

Barley meal is popular as an alternative ingredient for balanced rations. It has a small oil and high carbohydrate content. It has half the fibre of oats or bran. The 10 per cent protein content is about the same as with several other feeds. Care must be taken that other ingredients of the ration are adjusted to balance when one commodity is replaced by another.

A Canadian source of supply is sought for barley or barley meal.

SUSSEX GROUND OATS

This meal derives its name from the Sussex stone rollers which do the grinding. It is a very finely ground whole oatmeal and includes the shude. While it is expected that a high proportion of fibre will be found in thin oats, care must be taken that no screenings, foreign seeds, or other grains be milled into the meal as they might not only upset the balance but injure the young chicks. The grain should be very finely ground for both pigs and poultry. Coarser meals are sometimes mistakenly called "Sussex Ground."

ALFALFA MEAL

There is an increasing demand for alfalfa meal with a high carotene content. Besides being a preventive of some diseases, this element improves the colour of milk and the yolks of eggs. The normal content of sun-dried meals seems to be in the region of 50 to 60 milligrams per kilo against 250 to 300 for that which is artificially dried. Sun drying, therefore, would seem to have a disastrous effect on carotene. If alfalfa is left to flower and go to seed much of the protein will change into fibre, resulting in the disappearance of the carotene.

The only production of alfalfa of importance in the United Kingdom is in Northampton county.

DRIED GRASS

The same remarks apply to artificially dried grass as apply to alfalfa. Dried grass is being produced however, in many counties, whereas alfalfa is confined to one. There is a Grass Driers' Association, and it grades dried grass according to the protein and carotene content.

TRINIDAD MARKET FOR OILFIELDS SUPPLIES: A CORRECTION

With reference to a report on the market for oilfields equipment in Trinidad, published in *Commercial Intelligence Journal* No. 1799 (July 23, 1938), the value of imports of this equipment in 1937 was erroneously given as \$35,835,514. This figure represents the value of imports of all commodities into the colony in that year; no separate value for total imports of oilfields supplies is available.

SUMMARY OF THE TRADE OF CANADA : MONTH, EIGHT MONTHS, AND TWELVE MONTHS ENDING AUGUST, 1938

(Compiled by External Trade Branch, Dominion Bureau of Statistics)

Main Groups	Month of August, 1938				Eight months ending August, 1938				Twelve months ending August, 1938			
	Total Imports	From United Kingdom	From United States	\$	Total Imports	From United Kingdom	From United States	\$	Total Imports	From United Kingdom	From United States	\$
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<i>Imports for consumption</i>												
Agricultural and Vegetable Products.....	9,652,523	1,439,174	3,263,735	82,882,902	10,421,724	33,782,334	140,218,133	17,439,683	49,089,011	17,439,683	49,089,011	
Animals and Animal Products.....	7,017,985	2,783,300	995,079	17,209,572	2,998,903	7,425,997	7,425,997	4,797,010	10,893,055	4,797,010	10,893,055	
Fibres, Textiles and Textile Products.....	1,014,080	3,297,087	2,177,187	58,576,995	27,482,909	19,202,030	92,874,625	43,475,047	31,599,311	43,475,047	31,599,311	
Wood, Wood Products and Paper.....	7,236,105	1,386,044	2,140,138	21,056,025	2,227,831	17,447,156	33,328,726	27,321,576	27,321,576	27,321,576	27,321,576	
Iron and Its Products.....	13,830,087	1,806,705	11,386,014	113,401,199	16,040,508	93,040,105	185,519,902	27,090,936	150,984,553	27,090,936	150,984,553	
Non-Ferrous Metals and their Products.....	2,847,595	4,462,478	1,738,457	26,022,518	3,844,449	16,701,634	42,695,245	6,278,536	27,157,104	6,278,536	27,157,104	
Non-Metallic Minerals and their Products.....	11,461,882	1,332,162	8,484,778	77,722,655	8,027,051	59,374,357	130,297,565	13,105,008	99,664,978	13,105,008	99,664,978	
Chemicals and Allied Products.....	2,890,042	693,126	1,889,744	21,354,697	4,021,316	14,008,274	35,055,770	6,986,214	26,452,987	6,986,214	26,452,987	
Miscellaneous Commodities.....	4,585,308	774,569	3,222,248	31,314,439	4,556,127	23,064,832	49,120,573	6,862,538	36,142,948	6,862,538	36,142,948	
Total Imports, 1938.....	57,026,208	10,370,245	35,299,380	449,541,032	79,020,818	284,700,727	735,659,789	129,746,666	455,313,033	129,746,666	455,313,033	
1937.....	69,965,939	13,141,731	40,192,627	522,777,568	97,165,703	319,901,672	700,085,011	141,612,017	453,424,231	141,612,017	453,424,231	
1936.....	59,257,754	11,086,100	27,524,865	397,883,401	78,524,950	235,618,954	589,851,099	119,906,015	339,667,469	119,906,015	339,667,469	
<i>Exports (Canadian Produce)</i>												
Total Exports	\$	\$	\$	\$	Total Exports	To United Kingdom	To United States	\$	Total Exports	To United Kingdom	To United States	\$
12,244,868	7,341,100	1,738,438	101,300,431	59,846,714	12,784,331	18,303,940	198,126,370	122,204,181	25,714,580	122,204,181	25,714,580	
9,742,993	6,348,305	2,398,303	73,722,675	46,562,237	18,303,940	120,134,095	74,384,869	30,998,948	30,998,948	74,384,869	30,998,948	
2,126,847	243,481	150,588	8,931,002	2,436,887	1,231,246	13,553,255	3,602,070	1,873,529	1,873,529	3,602,070	1,873,529	
21,102,083	3,199,497	14,990,723	134,687,180	25,291,325	87,334,632	230,452,039	43,003,295	105,362,686	105,362,686	43,003,295	105,362,686	
4,387,530	297,004	267,004	44,240,923	10,034,573	2,928,180	64,690,639	14,768,316	4,972,277	4,972,277	14,768,316	4,972,277	
29,545,617	7,726,928	17,744,811	135,452,469	61,150,950	40,849,371	229,708,722	98,859,877	82,171,416	82,171,416	98,859,877	82,171,416	
2,141,205	277,147	957,281	15,566,656	1,943,556	7,535,462	26,468,326	3,439,374	13,719,976	13,719,976	3,439,374	13,719,976	
1,394,092	354,364	404,650	13,392,731	3,122,773	5,894,294	19,663,493	4,804,515	8,054,692	8,054,692	4,804,515	8,054,692	
1,683,762	321,845	949,597	14,107,486	3,103,740	6,202,582	19,905,231	4,125,532	9,662,989	9,662,989	4,125,532	9,662,989	
83,498,997	26,735,540	39,001,895	541,461,553	213,462,755	183,004,638	922,705,170	369,882,029	327,531,093	327,531,093	369,882,029	327,531,093	
101,471,240	35,726,662	44,122,202	728,948,584	248,181,201	325,713,991	1,147,887,125	421,107,469	491,026,248	491,026,248	421,107,469	491,026,248	
92,559,465	30,993,761	44,398,831	596,206,844	226,904,717	240,752,310	935,634,386	363,206,969	383,563,475	383,563,475	363,206,969	383,563,475	
<i>Exports (Foreign Produce)</i>												
Totals, 1938.....	3,048,955	2,104,509	635,448	39,475,845	23,294,809	7,827,522	43,436,279	23,636,622	11,041,719	23,636,622	11,041,719	
1,807,330	215,206	1,550,191	10,807,437	954,771	9,007,426	16,726,709	1,232,269	14,246,203	14,246,203	1,232,269	14,246,203	
970,251	52,886	851,919	6,777,147	640,593	5,043,017	12,508,085	903,228	10,856,772	10,856,772	903,228	10,856,772	
<i>Excess of Imports (i) or all Exports (e)</i>												
Totals, 1938.....	(e) 29,511,684	(i) 18,499,864	(e) 4,967,963	(e) 131,390,366	(e) 157,136,806	(i) 93,818,167	(e) 230,481,660	(e) 263,771,955	(i) 116,740,221	(e) 263,771,955	(i) 116,740,221	
1937.....	(e) 33,372,651	(i) 22,800,137	(e) 5,569,766	(e) 210,978,393	(e) 151,970,269	(e) 14,819,745	(e) 404,628,913	(e) 280,727,721	(e) 52,448,220	(e) 280,727,721	(e) 52,448,220	
1936.....	(e) 43,272,002	(e) 19,905,550	(e) 17,725,885	(e) 203,100,590	(e) 149,020,600	(e) 10,776,373	(e) 358,291,372	(e) 244,209,152	(e) 54,752,778	(e) 244,209,152	(e) 54,752,778	

TRADE COMMISSIONERS ON TOUR

Mr. J. C. Macgillivray, Canadian Trade Commissioner at Berlin, Germany (whose territory includes Czechoslovakia and Poland); and Mr. J. L. Mutter, Canadian Trade Commissioner at Johannesburg, South Africa (whose territory includes the Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland), are visiting the principal industrial centres of Canada in the interest of Canadian trade with their respective territories. Their itineraries are as follows:—

Mr. Macgillivray

Edmonton..	Oct. 3	Kentville, Wolfville and	
Winnipeg..	Oct. 6	Bridgetown	Nov. 4 and 5
Ottawa..	Oct. 10 and 11	St. John and Black's	
Montreal and district.. .	Oct. 20 to 28	Harbour	Nov. 8
Quebec and Levis.. . .	Oct. 31	Toronto and Weston .. .	Nov. 11 to 18
Halifax and Stewiacke..	Nov. 2 and 3	Kitchener	Nov. 21
		London and Ingersoll..	Nov. 22

Mr. Mutter

Ottawa..	Oct. 3	Brockville, Kingston and	
Sackville and Amherst ..	Oct. 5	Picton	Nov. 2
Truro..	Oct. 6	Oshawa, Bowmanville and	
Halifax and Kentville..	Oct. 7 and 8	Cobourg	Nov. 3
St. John..	Oct. 10	Orillia, Gravenhurst and	
Quebec..	Oct. 12	Huntsville.. . . .	Nov. 4
Montreal and district..	Oct. 13 to 29	Toronto and district ..	Nov. 7 to 19
Ottawa and Carleton		Guelph..	Nov. 21
Place..	Oct. 31	Kitchener and district ..	Nov. 22 to 24
Renfrew and Pembroke ..	Nov. 1		

Firms who wish to be brought in touch with the Trade Commissioners should communicate: for Toronto, Winnipeg, and Edmonton, with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other centres, with the respective Board of Trade or Chamber of Commerce.

AUSTRALIAN WHEAT AND FLOUR

FREDERICK PALMER, CANADIAN TRADE COMMISSIONER

Melbourne, August 16, 1938.—Particulars of the area sown to wheat in the several states for the current season are not yet available, but estimates obtained from official sources indicate that it is approximately 14,178,000 acres. This figure represents an increase of 469,000 acres or 3·4 per cent on the 1937-38 area, but a decrease of 214,000 acres from the average of the last ten years. Compared with 1937-38, the largest increase in acreage has occurred in Western Australia, namely, 379,000 acres. New South Wales and Queensland show gains of 134,000 and 28,000 acres, respectively, while the area declined in each of the states of Victoria and South Australia by 36,000 acres.

Following moderate to good rains throughout the wheat-growing districts of all the states, the present condition of the crops is classed as fair. Sub-soil moisture, however, is deficient in wide areas. Soaking rains which would penetrate deeply into the ground would be welcome and would go far toward assuring good harvest results.

EXPORTS TO THE UNITED KINGDOM

During the eleven months ended May, 1938, Australia exported to the United Kingdom 48 million bushels, an increase of 16 million bushels on last year's figure and amounting to 30 per cent of the total United Kingdom imports. For

the same period, Canada's exports to the United Kingdom were 43 million bushels, which was 40 million bushels less than the previous year's figures and represented only 27 per cent of the total imports of wheat into the United Kingdom.

Flour exports from Australia to the United Kingdom for the eleven months totalled 172,000 tons or 41 per cent and from Canada 194,000 tons or 46 per cent. Compared with last year's figures, flour imports into the United Kingdom from Australia increased by 15 per cent.

PRODUCTION OF FLOUR

Particulars of the operations of flour mills in Australia for the year ended June, 1937, are now available. The quantity of wheat milled in 1936-37 was 58.9 million bushels valued at £14.1 million (Australian) compared with 62.7 million bushels valued at £A10.7 million in 1935-36.

The quantity of flour produced in 1936-37 was 1,228,779 tons valued at £A13.2 million, compared with 1,307,616 tons valued at £A10.6 million in 1935-36. Although there was a decrease of approximately 79,000 tons in the quantity of flour made, the value of the product increased by £A2.6 million.

In spite of increased purchases by the United Kingdom, the production of flour declined in Australia during the last two seasons for which figures are available. This is attributable to the slump in exports to Manchuria, which fell from 240,181 tons in 1934-35 and 112,789 tons in 1935-36 to 9,422 tons in 1936-37.

As there was an increase of more than 70,000 tons in the exports to all countries during 1937-38 the production of flour in the latter year was probably substantially higher than in 1936-37.

EXPORTABLE SURPLUS OF WHEAT

The statistical position in Australia appears fairly satisfactory, for in spite of a crop 37 million bushels greater than in 1936-37, the exportable surplus remaining at July 1 was only 11 million bushels in excess of the surplus at this date last year. There still remain five months in which to dispose of 43 million bushels. Since it is likely that a large part of this surplus is already committed, indications point to the 1938-39 crop coming on to practically bare boards.

Mr. Palmer cables from Melbourne under date September 16 as follows:—

Shipments of wheat and flour from Australia from December 1 to the week ending September 5 totalled 115,461,180 bushels as compared with 84,049,317 bushels in the corresponding period of the previous year. With only a limited demand from the United Kingdom, the market further weakened until September 13, when the political situation caused a sharp rise in the futures markets. There was little business, however, in actual wheat.

The price of wheat to growers at country sidings is 2s. 3d. per bushel (equivalent to 43 cents Canadian) and the f.o.b. price is 2s. 11d. (equivalent to 56 cents Canadian), but values are nominal owing to the unsettled situation. The exportable surplus uncommitted is approximately 250,000 tons. New crop prospects are generally favourable.

There were 9,500 tons of flour sold to Tientsin for early October shipment. Export quotations for flour are approximately £6 15s. per ton (equivalent to \$25.96 Canadian) in 49-pound calico bags and £6 7s. 6d. (equivalent to \$24.52 Canadian) per ton in 150-pound sacks. The price of flour delivered in Melbourne is £7 5s. (equivalent to \$27.89 Canadian) per ton of 2,000 pounds. Freight rates remain unchanged at minimum rates. There has been no business transacted recently.

BAHAMAS MARKET FOR CANNED FRUITS AND VEGETABLES

F. W. FRASER, CANADIAN TRADE COMMISSIONER

Kingston, Jamaica, September 7, 1938.—There is in the Bahama Islands a fairly large demand for canned fruits and vegetables. Local production of fresh fruits and vegetables, apart from tomatoes and certain root crops such as yams, eddoes, cassava, and sweet potatoes, is insufficient for domestic requirements, particularly during the winter months when the large tourist hotels are open and large numbers of long-term visitors are resident in the island.

CANNED FRUITS

Canned fruits are included under the general heading of "Jams, Jellies, and Preserved Fruits," and it is difficult to state with any degree of certainty the proportion of fruits included under this head. Generally speaking, the jams and jellies originate in the United Kingdom and the preserved fruits in the United States, relatively small quantities coming from Canada and Australia. The following table gives the value of total imports with countries of origin during 1936 and 1937:—

Imports of Jams, Jellies, and Preserved Fruits

	1936	1937
Total	£2,725	£4,356
United Kingdom	607	737
Australia . . . . .	....	95
Canada	267	283
United States.. . . .	1,851	3,241

Canned fruit importations consist, apart from pineapples and guavas, largely of peaches and pears, with smaller quantities of apricots, strawberries, loganberries, maraschino cherries, figs, pickled walnuts, olives, and fruit salad. Gallon apples are not apparently in demand.

CANNED VEGETABLES

As in the case of canned fruits, details of varieties are lacking, but the following table shows total importations of goods under this head during the calendar years 1936 and 1937, with countries of origin:—

Imports of Canned Vegetables

	1936	1937
Total	£2,053	£2,641
United Kingdom	31	5
Canada	519	393
Belgium	69	42
France	32	44
United States.. . . .	1,402	2,157

Canned peas and sweet corn are the most popular, but moderate quantities of asparagus, string beans, baked beans, beets, tomato paste, and mushrooms are also sold, and small quantities of corn on the cob, Brussels sprouts, and tomato juice.

MARKET REQUIREMENTS

Peaches and pears represent the bulk of the canned fruit trade. These come in three sizes for household use: 8-ounce, No. 1's, and No. 2's, and No. 10

size for hotel use. Sliced peaches are popular, particularly in the 8-ounce and No. 1 size, but halves are also sold. Strawberries, raspberries, and loganberries are sold in limited quantities, the No. 1 size being in most demand for household purposes and the No. 10 for hotels. Apricots in tins are in less demand, but fair quantities of the dried fruit are imported. Maraschino cherries come in glass jars running from 7 ounces net capacity up to 1 pound 12 ounces. Cocktail cherries and fruit salad are also in fair demand, as well as some apple sauce.

Asparagus tips are popular in 1-pound square tins, also in 12-ounce round tins. There is also some sale for whole asparagus in large-size tall tins of 28 ounces. Green beans are in fair demand in No. 2's and No. 2½'s. Beets sell freely in tins of 20 ounces, and are packed whole, sliced, or diced. Sweet corn also moves freely in three sizes, that is, tins of 10½ ounces, 1 pound, and 19 ounces. The white sugar corn is preferred to the golden bantam. Corn on the cob enjoys a moderate sale, in tins of 20 ounces. Green peas are the largest selling line of canned vegetables and, as with corn, are packed in three sizes: 10½ ounces, 1 pound, and 19 ounces. Early June peas in all sizes are seen, but the smaller sizes are the most popular. Various brands of baked beans with pork flavour and with or without tomato sauce enjoy a steady sale. Canned tomatoes are imported in considerable quantities in various size tins, ranging from ½'s to 2½'s. Imports in 1937 amounted to 475 hundredweight gross shipping weight, valued at £935. Tomato juice is also imported in 7- and 15-ounce tins and some tomato paste in 6-ounce tins. Imports of preserved tomatoes are likely to show a decided falling-off this year, as a local factory has recently started producing, encouraged by a protective tariff of 3d. per pound gross shipping weight, with a drawback of 50 per cent for goods of Canadian origin.

CUSTOMS DUTIES

Canned fruits and vegetables entering the Bahamas are dutiable at the rate of 20 per cent ad valorem under the general tariff and 10 per cent under the preferential tariff. The single exception to this is in the case of preserved tomatoes, which are subject to a tariff of 3d. per pound gross shipping weight under the general tariff with a drawback of 25 per cent on goods imported from Canada.

TRADE PRACTICES

As the foregoing tables show, the United States is the principal supplier of canned fruits and vegetables to this market. The leading American brands are all represented, and the trade is regularly canvassed by travellers who cover the southeastern seaboard and include Nassau in their itinerary. The bulk of the shipments originate in New York, but considerable quantities are also shipped from stocks held by distributors in Miami and Jacksonville. Several motor-driven vessels, averaging around 100 tons net, provide a regular and frequent passenger and freight service between Nassau and Florida. The service is excellent and freight rates low. It is frequently possible to order goods by air mail one day and have delivery the following day. This convenience of being able to order a few cases at a time for quick delivery to replenish depleted stocks more than offsets the slightly increased landed cost. While Canada, as the figures show, is getting some of the business, the advantages to the United States in the matter of delivery are hardly offset by the tariff preference which Canada enjoys.

CANNED FRUITS AND VEGETABLES IN JAMAICA

F. L. CASSERLY, OFFICE OF THE CANADIAN TRADE COMMISSIONER

Kingston, Jamaica, September 17, 1938.—The market in Jamaica for canned fruits and vegetables is essentially a luxury one because plentiful supplies of fresh tropical fruits and vegetables are available all the year for consumption by the masses of the people. The demand, however, appears to be slowly increasing, the outlook for peaches, pears, peas, and tomatoes being exceptionally good.

IMPORTS OF FRUITS

Canned fruits are not separately shown in the import statistics, but are included in the category "jams, jellies, and preserved fruits," of which total imports in the calendar year 1937 were 560,668 pounds valued c.i.f. at £13,104. To this total the United States contributed 224,249 pounds (£5,534); the United Kingdom, 221,807 pounds (£5,225); Canada, 55,518 pounds (£1,206); Japan, 14,391 pounds (£212); Hongkong, 14,143 pounds (£214); and China, 13,479 pounds (£267).

Imports from the United Kingdom were principally jams; from the United States and Canada, canned fruits; and from Hongkong and China, specialties used by the local Chinese community. Japan supplied canned fruits and some jams. Canada's share of the trade in the first half of 1937 was equal to almost 80 per cent of imports from the Dominion of these commodities in the entire year 1936. Competition is chiefly from California and other parts of the United States. The limited domestic production of fruit jellies and canned grapefruit has little effect on the volume of imports.

IMPORTS OF VEGETABLES

Canned vegetables are included in the customs classification "vegetables, dried, canned, or preserved," imports of which in 1937 totalled 124,660 pounds (£1,801). Canada was the largest supplier with 64,485 pounds (£815) to her credit. The United States shipped 49,581 pounds (£693); the United Kingdom, 7,074 pounds (£161); and Belgium, 2,935 pounds (£87).

TARIFF PREFERENCES

The Jamaican import duties on canned, dried, and preserved fruit, jams, and jellies are, ad valorem, 15 per cent under the British preferential and 30 per cent under the general tariff. On dried, canned, or preserved vegetables the rates are, respectively, 15 per cent and 20 per cent ad valorem. In addition to these duties, which are now levied on c.i.f. Kingston values, a tax of 1s. is collected upon every package, irrespective of country of origin. The c.i.f. valuation has caused no increase in retail prices.

MARKET REQUIREMENTS

The chief kinds of canned fruit used in Jamaica are pears, peaches, apricots, and cherries. Grapes, plums, greengages, strawberries, pineapple, and mixed fruit for salad are also on the market. The usual sizes of cans are No. 2½ (28 ounces net), No. 1 (about 16 ounces net), and an 8-ounce can. The No. 2 size, of between 19 and 20 ounces net, is also on the market but is not so popular. The fruit is in syrup of medium consistency corresponding to standard California grade. Cans are attractively labelled and are put up in wire-bound wooden cases holding seventy-two of the 8-ounce size, forty-eight No. 1's, or twenty-four No. 2½'s.

The greater portion of imports of canned vegetables consists of peas, of which Canada has been Jamaica's largest supplier during the past two years. Early June peas in No. 2 tins and baked beans with pork flavouring are quite popular; the No. 1 size in peas has been supplanted by a 10½-ounce can. French and Belgian canned peas of *petits-pois* type has lost ground in late years.

Canned tomatoes are second in importance and Canada now has much of this business. Cans are of 10½ ounces net, also No. 1, No. 1 tall, Nos. 2, 2½, and 3.

Small quantities of canned corn, coming mainly from Canada in No. 1 and No. 2 sizes, and of white asparagus supplied by California in square tins of 16 ounces (No. 1) and 31 ounces (No. 2), are also sold. The former size of can usually contains "tips." Some Canadian green asparagus has appeared on the market.

TRADE PRACTICES

Imports are heaviest in November, December, and January. Canned fruits and vegetables are sold through commission agents, of whom most are large merchant houses carrying stocks. These supply the wholesalers and retailers. It is customary for canners to quote firm prices at or shortly following the opening of the canning season, and for orders to be placed, usually covering a fairly long period, on the basis of those quotations. At present quotations on some lines of canned fruits are slightly higher than those of last year. Opening prices for vegetables are usually given in June or July.

There are no noteworthy developments in business methods or advertising; the latter is done to a considerable extent in local newspapers and moving pictures and also by means of outdoor display signs. There is some direct-to-consumer advertising through the mails, and premiums of various kinds (e.g. spoons or other useful household articles) are given in exchange for labels.

FRUIT-CANNING PROJECTS

From time to time during the past two or three years projects for fruit canning and preserving on a large scale have been mooted, but nothing has come of them so far. However, a large firm engaged in growing and shipping citrus fruit has recently announced its intention of putting up a factory to can these articles. The establishment of a technical scale fruit canning and preserving unit at a cost of £2,500 is included in the Jamaica Government's program of agricultural development, the purpose being to examine the possibilities of marketing locally grown fruits and vegetables, especially surplus output, in the canned or preserved state. Some machinery has been purchased, but the unit is not yet in operation, and is not expected to be for some time to come.

EFFORT TO CHANGE EATING HABITS

This project, which will be mainly of an experimental nature, synchronizes with a movement launched in 1936 to persuade the Jamaican people to eat, for their health's sake, less imported preserved foods and more locally produced fresh foods. This was advocated in the interim report of a government committee on nutrition, published in 1937. There has been so far no effect upon the import trade in canned fruits and vegetables, which anyhow are seldom eaten by the masses of the people to whom the propaganda is chiefly addressed. Indeed, imports both of "jams, jellies, and preserved fruits," and of "vegetables, dried, canned, or preserved," were notably greater in 1937 than in 1936.

JAMAICAN MARKET FOR APPLES

F. L. CASSERLY, OFFICE OF THE CANADIAN TRADE COMMISSIONER

Kingston, Jamaica, September 17, 1938.—The Jamaican demand for apples is quite small in comparison with the island's population of about 1,200,000, because of the large volume of tropical fruits sold at relatively low prices. Retailing at from 6d. to 9d. per pound, apples are a luxury. They are eaten chiefly by the middle and upper classes, who form only a small proportion of the population.

In the calendar year 1937 total imports of apples into Jamaica amounted to 218,270 pounds valued at £2,752, of which the United States supplied 150,110 pounds (£1,998), New Zealand 64,180 pounds (£689), and Canada 3,980 pounds valued at £65.

VARIETIES AND GRADES

The trade calls definitely for a hard, firm, fairly juicy red apple of medium size (from $2\frac{1}{4}$ to $2\frac{1}{2}$ inches), three or four weighing one pound, and of good keeping quality. A very mealy apple, which usually is less juicy, is not so well liked, and dealers state that this type does not stand the climate so well as the other. There is very little demand for a green or yellow apple.

As most of the apples imported into the colony are eaten raw, the distinction denoted by the term "cooking apples" is largely nominal. Cooking apples are classified as "seconds" and retail at 4d. to 6d. per pound.

The principal varieties seen are Delicious, Winesap, York Imperial, Ben Davis, Gravenstein, and Gano (American); Delicious, (New Zealand); and Wealthy, Jonathan, McIntosh, Winesap, and Delicious (Canadian). Delicious is the most popular variety, but when it is not available, dealers will take Winesap or York Imperial, the latter often being shipped in barrels, as are the Gano and the Ben Davis. In general Extra Fancy and Fancy are the grades in which apples are purchased.

TRADE PRACTICES

United States apples and small quantities of Canadian are imported during the period from September to the following April or May, and New Zealand apples from about the end of May until the end of August or early in September.

The New Zealand trade is about three years old. It coincides with the development of a market in that Dominion for Jamaican oranges, and is being vigorously prosecuted. During this season about 2,000 boxes of New Zealand Delicious grade have been sold in Jamaica, an increase of about 66 per cent over 1937. The 1937 imports showed a similar increase over those of 1936. New Zealand apples, exclusively of the Delicious variety, are somewhat cheaper than those from Canada or the United States of equivalent type. They are popular with dealers and consumers, and more would be sold if the season were not so brief.

Apples are imported by a few Kingston firms acting as agent-distributors; they take orders from retailers and the total quantity is shipped on a single bill of lading, either to the agent-distributor or to one of the banks. The several parcels are then apportioned among the agent-distributor's customers, to whom credit of thirty, and sometimes sixty, days is allowed. Some of the larger agent-distributors buy for their own account and sell to retailers from stock. As agents, they are paid a commission. (A list of these firms is on file at the Department of Trade and Commerce, and may be had on application by interested Canadian firms quoting file No. 26348.)

PACKING AND SHIPMENT

About three-quarters of the imports come in standard bushel boxes holding 40 pounds net, and the remainder, chiefly in barrels of about 140 pounds net,

which are used mostly towards the end of the season. Baskets of about 40 pounds are seen to some extent early in the season, before large supplies become available in exporting countries and, as a rule, are packed without regard to size of fruit. With boxes and barrels, however, the pack is uniform, sizes ranging in the case of the former from 88 to 163 apples per box, the most popular being 113, 125 and 138. Barrelled apples are of about the same sizes, and when they are being packed, pieces of tissue paper are thrown in at random as each layer is complete. The barrelled apples are not, however, individually wrapped in tissue paper, as is done in the case of those in boxes.

Apples imported into Jamaica are usually shipped in cold storage and are stored in the same manner in Kingston after being landed, pending delivery to the buyer, who in most cases keeps them in his own small refrigerator. In winter, shipments are often made from the United States in ordinary stowage, especially of barrelled apples. All the New Zealand supplies are boxed, and come in refrigerated stowage.

CUSTOMS TARIFF AND REGULATIONS

Apples of all kinds imported into Jamaica are dutiable ad valorem, and since April 1, 1937, duty has been charged on the c.i.f. Kingston value instead of on the basis of market value in country of origin, which was in effect before that date. On fresh apples the rate is 10 per cent under the British preferential and 20 per cent under the general tariff. There is, besides, a package tax of 1s. on every package irrespective of country of origin.

Fresh apples are not allowed to be imported into Jamaica except from the United Kingdom, Ireland, Canada, New Zealand, the Bahamas, and the United States. Imports from these countries must be accompanied by a certificate given by a competent authority of the Government of the country of origin, stating that the apples are home-grown, fresh, clean and free from diseases and pests, and that the Mediterranean fruit fly *ceratitis capitata* does not therein exist. This certificate may be embodied in the certificate of origin as prescribed by the Jamaican Tariff Laws and Regulations, but must be signed by a competent Government officer in the country of origin.

Importers are required to give the local Department of Agriculture seven clear days' notice of arrival of shipments in order that these may be inspected by an officer of that department. Any shipment found to be infected with pests or disease may be either treated or destroyed, at the discretion of the Director of Agriculture of Jamaica.

BERMUDA MARKET FOR CANADIAN POTATOES

D. S. COLE, CANADIAN TRADE COMMISSIONER

New York, September 19, 1938.—Canada supplies the bulk of Bermuda's requirements of both seed and table potatoes and every effort is being made by Canadian shippers to maintain their position in that market.

SEED POTATOES

According to Bermuda customs entries, the following are the quantities and values of seed potatoes imported into Bermuda from Canada and other countries in the year 1937 and the five preceding years:

Year	Canada		Total All Countries		Percentage from Canada
	Bushels	\$	Bushels	\$	
1937	17,964	18,419	18,177	18,696	99
1936	10,861	16,057	12,696	17,763	86
1935	16,214	16,791	16,643	17,336	97
1934	11,542	16,111	17,860	24,859	65
1933	13,821	16,748	15,058	26,244	91
1932	12,836	14,629	20,827	28,295	62

The total importation of seed, it will be noted has varied little over this period of years but the proportion supplied by Canada has increased until in 1937 Canada had almost completely captured the market. This is partly attributable to dissatisfaction with seed from the United States on account of disease and partly owing to more attractive prices quoted by Canadian growers. The price of Canadian seed per barrel (approximately 160 pounds) was about \$2.50 to \$2.75 f.o.b. Canadian port this past year.

Canadian seed potatoes enjoy a very high reputation in Bermuda and their quality is excellent. According to records of the Department of Agriculture in Bermuda, the following varieties were imported in 1937 and this record will indicate the comparative popularity of the several varieties: Bliss Triumph, 3,155 barrels; Irish Cobbler, 1,984 barrels; Chili Garnets, 1,032 barrels; Royal Kidney, 142 barrels; Katahdin, 141 barrels; Green Mountain, 21 barrels.

Two main crops are planted each year in Bermuda; the first in September and the second from January to March. Harvesting takes place December to January and April to May, respectively. Most of the Bliss Triumph seed is required for planting early in September and one objection to Canadian seed is that it is so newly dug at that time it is not ready for planting. Supplies are, therefore, obtained from Long Island, or the difficulty is overcome by chemical treatment of the Canadian seed. If this obstacle could be surmounted, undoubtedly Canada would control the entire imports of seed potatoes into Bermuda.

DOMESTIC CROP

No definite data of acreage planted in Bermuda is available, but it is estimated at about 300 acres. The extent of domestic cropping depends to a large degree on the market that can be found in the United States, Canada, and the West Indies. Efforts are being made to increase shipments of Bermuda potatoes to these markets, and also to open up a new market in London.

One difficulty encountered in the expansion of potato exports from Bermuda to the United States is that the trade agreement between the United States and Cuba requires the granting to Cuba of one-half the rate granted to any other country during the period of December 1 to the end of February.

TABLE POTATOES

Imported potatoes are used by the general population from about August to October, when local supplies are seldom available, and by the naval and military forces during the greater part of the year if imported potatoes can be obtained at lower prices than domestic supplies. Naval and military forces pay no import duty for their requirements, and about 90 per cent of their supplies come from Canada.

Since the naval dockyard accounts for a large proportion of the imports of potatoes the annual importation varies with the strength of this establishment. The use of imported potatoes for the civil population is likely to decline since, with the shrinkage of export markets, greater efforts are being made to supply the local requirements throughout the year.

The following table shows the quantity and value of potatoes imported for eating purposes during 1937 and the five preceding years:

Year	Canada		Total All Countries		Percentage from Canada
	Bushels	\$	Bushels	\$	
1937	21,873	13,565	22,486	16,359	92.8
1936	33,355	28,412	33,811	29,904	98.8
1935	13,663	8,767	13,837	9,205	99.2
1934	10,481	4,956	11,503	8,972	91.3
1933	17,924	12,506	18,940	14,959	94.6
1932	30,127	17,456	30,358	12,341	99.0

POTATO EXPORTS

The export trade in Bermuda potatoes affords the only real opportunity for increasing Canadian shipments to the Islands and the following figures of potato exports from Bermuda are, therefore, of interest:

	1933	1934	1935	1936	1937
	Figures in Bushels				
Total	44,588	46,514	35,979	24,243	16,020
Canada	14,459	18,135	18,848	4,372	4,789
United States	29,771	27,486	17,715	19,452	9,691
British West Indies ..	358	877	255	283	246

BERMUDA TARIFFS

Imports of seed potatoes from all sources are free of duty, whereas table stock is dutiable under the British preferential tariff at 4 shillings per bushel of 60 pounds. Imports from other countries are dutiable under the general tariff at 5 shillings per bushel.

With a view to fostering and protecting the local production of Bermuda potatoes, an act was passed on August 6, 1938, making it lawful for the Governor in Council on the recommendation of the Board of Agriculture to prohibit the importation of potatoes during the months of August and September or during any period within these months. This act does not pertain to sweet potatoes or potatoes intended only for planting and certified as such by the Director of Agriculture.

BAHAMAS POTATO MARKET

F. W. FRASER, CANADIAN TRADE COMMISSIONER

Kingston, Jamaica, September 7, 1938.—There is a good demand for potatoes in the Bahamas, importations being proportionately much higher than in Jamaica and other sections of the West Indies. This is due, no doubt, to the large influx of tourists and long-term visitors during the winter months, and to the fact that local production is of negligible proportions.

The following table gives quantities and values of potato importations during the last three years. Purchases during the first six months of 1938 were somewhat higher than during the corresponding period of 1937:—

Imports of Potatoes into the Bahamas

	1935		1936		1937	
	Bbbs.	£	Bbbs.	£	Bbbs.	£
Total	5,930	2,689	5,490	3,841	9,324	4,500
Canada	4,407	1,923	4,821	3,230	7,079	3,183
Irish Free State .. . . .	.....	.....	97	54	580	259
United States	1,523	766	572	557	1,665	1,058

GRADE AND PACKING

The principle demand is for a No. 1 white potato, and the usual packing is in the 90-pound jute sack. During the winter season imports are to a large extent absorbed by the hotel trade, and quality is important.

LOCAL PRODUCTION AND SEED

In an effort to encourage local agricultural production, the Tariff Act was adjusted a few years ago to provide a minimum and maximum tariff on certain fruits and vegetables. Under this Act the Governor in Council has power to increase from time to time the customs duties on such fruits and vegetables, and the duties on potatoes are accordingly raised during the local production season

from 2s. per 100 pounds to 10s. with a drawback of 50 per cent on goods of Canadian origin (under the Canada-West Indies Trade Agreement).

The production season for potatoes in the Bahamas is from February to May, and this year the maximum tariff was imposed on January 22 and withdrawn on May 20. The object of this Act so far as potato production is concerned does not appear to have been realized. The importation of Irish potatoes has remained fairly steady during the past six years, and has shown no diminution since the tariff was amended. Exact figures are not available, but according to local authority only about 100 barrels of seed stock are imported annually. In previous years Canada was the sole supplier, but last year the United States got this business. The Agriculture and Marine Produce Board is the principal purchaser and the variety imported during the last couple of years has been the Red Bliss Triumph.

As above indicated, potato production has not so far progressed to any extent. What usually happens is that a few weeks before the duties are raised, local potato merchants stock up as heavily as may be consistent with safety from a keeping standpoint; then, if they run short, they buy and pay the higher duties. Obviously the yield from 100 barrels of seed is insufficient to supply this market during the winter months when consumption is at its peak. The native population do not eat Irish potatoes to any great extent, preferring their own yams, eddoes, and sweet potatoes, and the bulk of the local production of potatoes is brought to the markets in Nassau for sale.

BUYING METHODS

It is the general practice for imports to be handled through commission agents who solicit orders from the hotels and provision trade on a commission basis. Some of these agents, however, buy for their own account. The latter is, perhaps, the preferable method of doing business from the shipper's standpoint, provided the agent's financial position is satisfactory.

IMPORT DUTIES

Seed potatoes from all sources enter the Bahamas free of customs duties, but must be accompanied by a disease-free certificate issued by the competent authority in the country of origin.

Table potatoes are subject to an import duty of 2s. per 100 pounds under the general tariff, which may be increased to not more than 10s. per 100 pounds by Order in Council. These duties are subject to a drawback of 25 per cent for goods entitled to preferential treatment, and to a special drawback of 50 per cent for Canadian-grown potatoes under the Canada-West Indies Trade Agreement.

POTATO MARKET IN BRAZIL

L. S. GLASS, CANADIAN TRADE COMMISSIONER

Rio de Janeiro, September 9, 1938.—Although Brazil has an estimated population of some 43,000,000 people the consumption of potatoes is relatively small. In 1935 the apparent consumption was 13,210,000 bushels as compared with consumption of approximately 63,111,000 bushels in Canada with one-fourth the population. There is some indication that consumption is increasing in Brazil. The average annual consumption during the twelve-year period 1926-37 was 11,547,000 bushels whereas for the five-year period 1933-37 it was 12,684,000 bushels.

DOMESTIC PRODUCTION

In the crop year 1919-20 production of potatoes in Brazil amounted to 5,348,000 bushels and in 1937 to 12,531,187 bushels. The twelve-year average

1926-37 was 10,885,000 bushels and the five-year 1933-37 average was 12,531,000 bushels, while the five-year 1926-30 average was 9,961,000 bushels.

IMPORTS

During the periods 1921-27 and 1926-30 the average annual imports were 1,036,000 bushels and 1,338,000 bushels, respectively. However, in sympathy with the increased local production imports have since fallen. For the seven-year period 1931-37 the average imports were 179,000 bushels, the heaviest imports occurring during the first four years. Total imports were only 40,000 bushels in 1935 and 47,000 bushels in 1936. In 1937, consequent upon greater imports of seed potatoes, the total increased to 136,000 bushels. The respective import values were \$34,000, \$53,000, and \$185,000.

From the foregoing it will be seen that not only are consumption and local production on the increase in Brazil, but also that Brazil has made herself almost independent of outside sources of supply for potato requirements. A comparison of the 1931-35 averages with the 1926-30 averages shows that consumption increased 22 per cent, local production 30 per cent, and imports decreased 86 per cent.

Up until 1930 nearly 75 per cent, and in some instances more, of the potatoes imported into Brazil were from the Argentine Republic. Subsequent to 1930, however, European supplies became more prevalent on the market. Local potatoes were of inferior quality and European table potatoes became very popular, especially at those seasons of the year when the Brazilian stock was low.

PRESENT SITUATION

During the period following 1930, when European potatoes came on the market, a preference was developed for potatoes of a yellow flesh. To a great extent this was due to the fact that the locally produced potatoes had, as a rule, white flesh and buyers depended on the colour of the flesh to indicate whether they were imported or of local production. As a result, yellow flesh came to be looked upon as proof of quality. Locally produced potatoes have improved in quality greatly during the past few years.

Owing to the reputation and preference which yellow flesh varieties had gained at the expense of the poorer quality white flesh varieties of local production and to the fact that Brazilian health authorities advocated the use of yellow flesh potatoes as containing greater nourishment, the Brazilian producers commenced to cultivate the yellow flesh varieties. Thus for foreign exporters to enter the Brazilian market to-day with a white flesh potato would be practically impossible, as it would only be supposed that more of the old poor quality local production was being offered under the guise of being imported.

DUTIES

Potatoes imported for table consumption are dutiable at 0.374 milreis per kilo (58 cents per bushel) to which must be added 4½ per cent on the c.i.f. value of the goods for exchange and consignment taxes. If imported for seed purposes they may be exempt from duties, but must pay the exchange and consignment taxes.

PRICES

Potato wholesale prices on the Rio de Janeiro market have been quoted each week during the whole of 1938 from a minimum of 0.400 milreis to a maximum of 0.800 milreis per kilo (\$0.62 to \$1.24 per bushel) for the highest qualities, while the cheaper grades have ranged from a minimum of 0.350 milreis to a maximum of 0.700 milreis per kilo (\$0.55 to \$1.10 per bushel). Consider-

ing these prices and deducting therefrom duties and other charges, such as freight, on imported potatoes, it is easy to see that competition is practically impossible.

SEED POTATOES

Relatively speaking, it has only been in the past three or four years that Brazil has endeavoured seriously to develop potato production scientifically. There is now a market in Brazil for seed potatoes and it is anticipated that it will increase. The opinion is held by many in Brazil that ultimately they will be able to produce their own seed stock. This is open to question in view of past experience in Brazil and also in view of the experiences of neighbouring countries which find it necessary to refresh their seed periodically.

Until the last few years Brazil was using what amounted to rejected table stock for seed and much credit is due to the State of São Paulo for its efforts to teach the growers the use of properly selected seed. The crop year of 1935-36 saw imported into the State of São Paulo 35,750 bushels of seed potatoes. In 1936-37 there were 112,700 bushels imported, and in 1937-38, 84,750 bushels.

SOURCE OF SEED SUPPLY

In view of the preference for yellow flesh potatoes, it is natural that importers should turn to their erstwhile sources for the preferred types of table potatoes to obtain their seed. As a result, Holland and Germany are the most important suppliers. In 1935-36 there were 33,890 bushels of Eigenheimer variety imported from Holland, 330 bushels of Rotweisragis, 550 bushels of Konsuragis and 980 bushels of Gelkragis from Germany. In 1936-37, from Holland were imported 90,840 bushels Eigenheimer and 12,460 bushels Eersteling, and from Germany 5,688 bushels Konsuragis, 123 bushels Edelragis, and 3,680 bushels Allerfr. Gelbe. In 1937-38 imports from Holland were 2,200 bushels Bintje, 13,430 bushels Bevelander, 10,585 bushels Eersteling, and 45,490 bushels Eigenheimer, and from Germany 1,730 bushels Allerfr. Gelbe and 10,910 bushels Konsuragis.

REPRESENTATION

Firms wishing to export must be fully represented by firms in Brazil registered with the Department of Agriculture and licensed to import and sell seed potatoes. Seed potatoes, when imported by registered dealers, are entitled to exemption from duties and no firm other than a fully registered, licensed dealer may withdraw the potatoes from the customs without payment of duties.

The State of São Paulo has been endeavouring to institute more rigorous regulations and at the same time to offer greater assistance to those who wish to procure and plant seed potatoes. The Institute of Agronomy of that State has, for some years, been carrying out experiments to determine what varieties may be most suitable for cultivation within the State and is hoping that, in the not too distant future, it will be able to stipulate what varieties may be planted in the various localities of the State.

DOCUMENTATION

The import of seed potatoes into Brazil is very carefully supervised by the technical division of the Plant Protection Service of the Department of Agriculture and must be accompanied by certificates acceptable to the Brazilian authorities. Exporters to Brazil should obtain from the Commercial Intelligence Service of the Department of Trade and Commerce a pamphlet entitled "Documentation of Shipments to Brazil." This should be carefully studied and followed out to the very smallest detail.

PACKING

There are no special requirements in Brazil for packages. It is desirable, however, that potatoes should be packed in strong wooden crates containing 30 kilos (66 pounds) net weight of potatoes. The case should have clearly and indelibly marked on the outside of it the number of the shipment, the variety of the potatoes, and the shipper's name. Inside the case should be a Canadian certified seed potato certificate.

TYPES AND SIZES IN DEMAND

It is considered in Brazil, because of humidity and warmth of many of the localities in which potatoes are grown, that there is more opportunity for breakdown of the potato if it has to be cut for seed. Therefore, the demand in Brazil is for the small size seed potatoes running not more than 2 ounces in weight and not less than one ounce (29 to 60 grams).

Besides the preference for yellow flesh there are other considerations concerning the choice of potato seed. In shape the potato should be flat and oval. The Green Mountain variety meets this requirement perfectly and also that of size. The skin should be smooth and creamy in colour. Pink or rosy-skinned potatoes are not desired and varieties which have a tendency to rosy pigmentation of the flesh will not be accepted.

There are two main planting seasons, July to September and December to February. The first mentioned season is the dry season and the more favourable for most Canadian varieties.

SOUTH AFRICAN FORESTRY DEVELOPMENT

G. R. HEASMAN, CANADIAN TRADE COMMISSIONER

Cape Town, August 29, 1938.—In recent years Canada has been increasing her exports of lumber to the Union of South Africa at the expense of both United States and Scandinavian sources of supply. Now a policy of exploiting South Africa's own plantation-grown timber, which may in time affect this Canadian trade, is becoming more and more manifest.

South Africa has been planting forests for years, and the time has now arrived when the Forestry Department is advocating the exploitation of these plantations.

NATIONAL AFFORESTATION

The national afforestation policy in the Union of South Africa, started as far back as 1876, proceeded slowly for many years, but since 1920 has advanced rapidly. For example, in 1923 there were only two Government plantations in a certain region; in 1937 there were twenty-five centres at which afforestation was in progress.

Timber suitable for general building purposes and for the manufacture of fruit boxes can be grown in South Africa about two to three times as fast as it can be grown in Canada. Thus trees can be cut into good timber within twenty-five years of planting.

To-day the state owns 324,534 acres of forest. Public bodies and private individuals have also contributed to afforestation in South Africa by planting hundreds of thousands of acres. The acreage planted has been largely to *pinus pinaster*, *pinus patula*, *pinus longifolia*, and *pinus insignis*.

In a recent calculation of the Union's future requirements of timber, it was concluded, after making due allowance for all factors concerned, that the country could become self-supporting in fifty years if the state would afforest an average of 20,000 acres of land per annum. A survey of land suitable for afforestation, however, revealed insufficient land for this program. The annual rate of planting has, therefore, been placed at about 16,000 acres for the next twenty years.

CUTTING AND MARKETING

The Department of Forestry now finds that many plantations have reached a point where they will deteriorate if not cut down, and for this reason is actively concerning itself in the marketing of timber from them. Its policy has been to stand aside, wherever possible, and allow commercial interests to exploit these plantations. Where commercial interests are backward in taking hold, or where an endeavour is made to secure timber rights below what the Forestry Department considers an economic price for the timber, its policy is for the state to undertake the manufacture of timber on its own account, probably with the intention of withdrawing once a sawmill industry has been firmly established.

It has been proved that useful timber can be produced in South Africa provided proper methods are adopted to saw, season, and manufacture the wood. The Forestry Department is leading the way in this regard. There are now in the Union eleven small private mills cutting timber from Government plantations. Last year approximately 10,000,000 board feet were cut by these mills, and there is no doubt that a much larger quantity will be cut this year. The quantity mentioned does not include 148,000 cubic feet of pine logs put through the Departmental sawmill at the Berlin plantation, and 262,000 cubic feet of pine logs put through two sawmills at George.

IMPORTS AND LOCAL MANUFACTURE

A number of experimental shipments have been made with South African manufactured orange crates, and on the whole these have proved satisfactory. The manufacture of boxes for local use in South Africa was among the first uses to which local timber was turned, and it has been steadily increasing. In 1928 the imports of box shooks were valued at £164,000. Such imports dropped in 1934 to £120,000, but increased last year to £213,000, notwithstanding a tremendous increase in the local manufacture of boxes between 1928 and 1937. Apart from price fluctuation, the reason for the rise in these imports is that the South African fruit industry and the South African canning industry have also made tremendous strides in the last few years, and have required an ever-increasing quantity of box wood. Otherwise, the import of boxes would have been largely curtailed. There is no question that imports of foreign boxes during 1938 will be definitely on the down grade, largely as the result of local manufacture.

COUNTRIES AFFECTED

Up to the present Canada has not been in a competitive position with regard to boxes, so the loss of this trade will not be felt. Scandinavian imports of lumber will be the first to be affected because of the small dimensions and sizes.

The local mills are now complaining about the low price of imported lumber and about railway freight rates. As the number of mills increases, without doubt the Government will be asked to give serious consideration to increased protection, and the railways to granting lower freight rates on domestic lumber. At present merchants and contractors find it easier and to their advantage to use imported timber. Should the Government force up the price of lumber by means of the tariff, it may become more economical for them to use locally grown timber.

The largest plantations to date are in the Transvaal; in other words, well inland. If railway rates were to be so adjusted as to put imported timber under a serious handicap as compared with locally grown timber, the former would lose the largest single market, the gold mines of Johannesburg. However, if customs duties were not too drastically raised, there would still be a market for imported lumber in the coast cities.

INDIAN PAPER MARKET

PAUL SYKES, CANADIAN TRADE COMMISSIONER

(One rupee is approximately equal to \$0.375 Canadian)

Calcutta, August 6, 1938.—India has been for many years an important market for all types of paper. The difficulty of obtaining stocks during the Great War and the high prices then prevailing gave an impetus to the domestic paper manufacturing industry which is still evident to-day, but it appears that India must import for many years to come a large part of her normal requirements of these goods. The following report summarizes the more important aspects of to-day's market.

EXTENT OF MARKET

Per capita consumption of paper in India is very small, as it is a product which is not required by the bulk of the population to the same extent as in Western countries. It is thus unwise to estimate the present or future consumption of paper and paper products on a basis of population, although the consumption is growing through increased use of newspapers, wrapping materials, school books, and similar products.

Combined figures of domestic production and of imports during recent years indicate an average annual consumption of paper in India amounting to 200,000 tons of a value of Rs.45,000,000 (Can.\$17,500,000). These figures comprise 150,000 tons, valued at Rs.28,000,000, as representing average imports, and slightly less than 50,000 tons of a value of Rs.17,000,000 as the output of Indian mills. Statistics of imports of paper and paper products and of domestic production show appreciable increases over recent years. These are particularly noticeable in so far as quantities are concerned, values having been affected obviously by world market conditions and by keen competition in the domestic field.

IMPORT TRADE

The following table summarizes the import trade in paper into India during the fiscal year 1937-38, according to the individual types:—

Imports of Paper into India, Fiscal Year 1937-38

	Cwt.	Rs.
Printing..	1,221,440	13,928,807
Packings and wrapping..	510,419	8,399,260
Old newspapers..	976,181	4,747,716
Writings and envelopes..	178,994	4,602,115
Paper manufactures..	47,991	2,039,260
Others..	64,482	2,239,793
Total..	2,999,507	35,956,951

PRINTING PAPERS

Printing papers are the most important type imported into India. The group is comprised chiefly of newsprint and other white printing papers, substantial amounts of miscellaneous printing papers, machine-glazed poster paper, and small quantities of litho. The newsprint trade is largely in sheets, most Indian presses being small and incapable of handling reels. The latter type of newsprint does not make up more than 15 per cent of total imports.

Imports of these papers originate principally in Germany, Austria, and Norway, according to Indian statistics, but it is to be noted that considerable amounts of paper are shipped from Scandinavian countries to India via Hamburg and Amsterdam and that, on this account, Germany and the Netherlands are given undue prominence as suppliers to the Indian market.

The trade in printing papers has developed considerably during the past six years. Quantities increased from 680,000 cwts. in 1932-33 to 1,000,000 cwts. in 1935-36 and reached a peak in 1937-38 of 1,221,440 cwts. Corresponding values varied only slightly up to 1936-37 but stood at Rs.13,928,807 in 1937-38 and at this figure were almost 50 per cent above the average of the five preceding years.

Details of this trade, by principal countries, are given herewith for the fiscal year 1937-38:—

Imports of Printing Papers, 1937-38

	Cwt.	Rs.
Germany.. . . .	391,036	4,360,844
Austria.. . . .	191,827	2,237,379
Norway.. . . .	232,351	2,227,086
United Kingdom.. . . .	53,177	1,044,048
Japan.. . . .	24,576	542,657
Netherlands.. . . .	31,686	521,576
Sweden.. . . .	44,317	508,362
Other countries.. . . .	252,476	2,486,855
Total.. . . .	1,221,440	13,928,807

PACKING AND WRAPPING PAPERS

This group of paper imports comprises for the most part kraft and imitation kraft wrappings and a large miscellaneous group of packing and wrapping papers concerning which no precise information is available. It includes as well fairly large amounts of manilla paper, some fancy wrappings, and small quantities of "brown and coloured" papers of this type. Kraft and imitation kraft make up approximately 50 per cent of all these imports.

For several years up to 1936-37, the trade in packing and wrapping papers had amounted to some 350,000 cwts. per annum valued at approximately Rs.4,500,000, but during 1937-38 there was a large increase in quantities to 510,419 cwts. and in values to Rs.8,399,260. This appreciation was even more abrupt than in the case of printing papers.

Details of the import of these grades from principal countries are given herewith:—

Imports of Packing and Wrapping Paper, 1937-38

	Cwt.	Rs.
Sweden.. . . .	254,061	3,719,351
Germany.. . . .	83,278	1,527,711
United Kingdom.. . . .	42,866	1,004,129
Norway.. . . .	35,142	557,013
Austria.. . . .	29,258	489,309
Other countries.. . . .	65,814	1,101,747
Total.. . . .	510,419	8,399,260

OLD NEWSPAPERS

The trade in old newspapers into India is of unusual importance. It has averaged from 45,000 to 50,000 tons per year for a considerable time, with annual values of slightly over Rs.4,000,000. Practically all of these imports have been shipped from the United Kingdom, the only other supplying country being the United States. It is probable that these imports from the United Kingdom are of domestic origin and that they comprise no more than small amounts of paper transhipped from other countries at United Kingdom ports.

Recent trends in the trade in old newspapers have been towards smaller quantities but higher values, imports having declined from 1,150,000 cwts. in 1935-36 to 980,000 cwts. in 1937-38, whereas values for the same year appreciated from Rs.4,170,000 to Rs.4,750,000.

WRITING PAPER AND ENVELOPES

Among itemized imports of writing paper and envelopes, creamed writings, boxed stationery, azure laid or wove and ledger, and writing pads are of first importance, imports of these types during the year 1937-38 being valued respectively at Rs.748,580, Rs.471,144, Rs.288,241, and Rs.132,635. The trade in miscellaneous types of writing paper and envelopes is, however, so much more important than in these specified classes that the situation is by no means clear. For example, whereas total imports of all writings and envelopes during 1937-38 were valued at Rs.4,602,115, the figure for miscellaneous and undefined types stood at Rs.2,961,515, well over 50 per cent of the total. It is accordingly impossible to obtain a clear picture of such trade, although it may be assumed that such miscellaneous imports are large sheets of various grades of writings and similar types.

In common with the other principal branches of the paper business, imports during 1937-38 showed substantial increases over the average of the five previous years and, by comparison with the latter figures of 140,000 cwts. and Rs.3,500,000, stood at 178,994 cwts. and Rs.4,602,115.

Details of imports by principal countries are appended:—

Imports of Writing Papers and Envelopes, 1937-38

	Cwt.	Rs.
United Kingdom.. . . .	35,690	1,753,122
Norway.. . . .	43,043	860,163
Germany.. . . .	19,552	359,916
Sweden.. . . .	15,508	282,514
Netherlands.. . . .	13,252	229,557
Japan.. . . .	7,309	161,153
Other countries.. . . .	44,640	955,690
Total.. . . .	178,994	4,602,115

OTHER PAPERS

Imports of "other papers," including blotting paper, amount to some 70,000 cwts. per year, valued at Rs.2,000,000. The trade in these miscellaneous types has been remarkably constant during recent years. Leading sources of supply, with values of imports, during the year 1936-37, are as follows: United Kingdom (Rs.732,669), Germany (Rs.342,727), Sweden (Rs.200,143), Norway (Rs.124,049), and Austria (Rs.110,558).

PAPER MANUFACTURES

There is a growing market in India for many types of paper manufactures, imports having increased in value from Rs.1,090,158 in 1932-33 to Rs.2,039,260 in 1937-38. The United Kingdom controls most of this trade, having been credited with over 55 per cent of all imports during the past six years. Germany, Sweden, and Japan control most of the remainder.

RECENT MARKET TRENDS

The following summary of imports of paper and paper manufactures indicates the essential trends in this trade during the past six years:—

Imports of Paper into India, 1932-33 to 1937-38

	Cwt.	Rs.
1932-33	2,220,006	24,930,412
1933-34	2,246,564	23,546,288
1934-35	2,518,288	23,942,757
1935-36	2,826,024	26,243,677
1936-37	2,717,578	24,627,516
1937-38	2,999,507	35,956,951

The gradual increase in quantities of paper imported into India should not be taken as an indication of further expansion. It is, in fact, virtually certain that trade returns for the current year will show an abrupt decline to figures below any recorded in this report, purchases of foreign paper during the last two years having been abnormally heavy as a result both of a boom in the import market slightly over a year ago and of apprehension on the part of the trade that a European war would restrict supplies and induce a rise in local market prices.

The great increase in the value of last year's imports is an added proof of the keenness of the demand at that time. Imports of packing and wrapping papers increased in quantity by 40 per cent but in value by almost 80, printings by slightly less than 30 per cent in quantity and by over 50 per cent in value, writings by 17 per cent and 35 per cent respectively, while old newspaper imports declined in quantity by over 10 per cent as against an increase in value of over 20 per cent.

IMPORTS FROM CANADA

It is only during the last five years that Canadian paper has been shipped in any quantity to the Indian market. Limited amounts of writing papers have been sold in this country for a considerable time, but it was not until 1933-34, when the trade in newsprint became well established, that Canada's share of the business assumed reasonable importance. During 1936-37 newsprint imports into India made up 9 per cent of all imports of such paper, and an equal or better result will probably be recorded when detailed statistics of imports from all countries during 1937-38 become available. In comparison with the total amount of reel newsprint imported this is believed to be a very creditable showing, although no accurate data as to the proportion of reels to sheets are available. Some small quantities of other grades of printing paper and miscellaneous types of writing papers are also being sold in the local market.

Details of imports of Canadian paper into India during the years 1932-33 to 1936-37 are given below:—

Imports of Canadian Paper into India, 1932-33 to 1936-37

	Newsprint		Other Prtg. Paper		Writing Paper		Cwt.	Total ¹ Rs.
	Cwt.	Rs.	Cwt.	Rs.	Cwt.	Rs.		
1932-33.. ..	495	6,068	23	517	410	10,849	929	17,657
1933-34.. ..	11,493	99,337	18	590	802	20,751	12,319	121,225
1934-35.. ..	25,660	172,168	....	....	681	17,262	26,342	189,724
1935-36.. ..	15,511	99,565	50	1,125	525	12,544	16,137	115,243
1936-37.. ..	65,051	412,306	4,784	28,636	908	21,897	70,791	464,717

¹ Also includes small quantities and values of miscellaneous items.

The above figures correspond approximately to Canadian statistics of paper exports to India, which indicate a trade during the fiscal year 1936-37 with a total value of \$146,853, as follows: newsprint paper, \$132,461; book paper, \$8,627; fibreboards, \$5,432; miscellaneous papers and manufactures, \$310; paper bags and cartons, \$23.

INDIAN PAPER INDUSTRY

Paper manufacturing is one of India's minor industries but is of growing importance. The industry is a comparatively young one and, to a large extent owes its present importance to the situation prevailing during the Great War, when local demand was far in excess of imported supplies. It has since then benefited greatly from periodic increases in the rates of customs duty applicable to imported papers and to the active encouragement given by the Central and Provincial Governments to the utilization of papers of Indian manufacture. On the other hand, the industry is faced with several serious obstacles, chief

among which is the shortage of proper raw materials, there being in the whole of India only limited supplies of woods suitable for the manufacture of printings and writings. It is also confronted with the problems of a low-priced market and, in the case of several mills, with high operating costs.

For several years past the paper manufacturing industry has shown few indications of active development, although the output and technique of some of the larger mills have improved appreciably. Following recent decisions of the Government to maintain or even increase the tariff on imported papers, however, several new companies have been formed to carry on this business, and within the next five years it is likely that production will show large increases.

Although there are a considerable number of companies registered in India as paper manufacturers, there are at present only five of these actively engaged in this trade and producing important quantities of standard grades of paper. Four others are in course of construction and are expected to be in operation within the next year. The principal output of these mills is a medium grade of writing and book paper. Materials used are grass and bamboo together with varying amounts of imported sulphite pulp. Old newspapers are also used in some mills, while experiments with sugar cane, which have been conducted for some years, may lead to the utilization of this article as a raw material also. Capital invested in the industry is believed to approximate Rs.15,000,000, employees 8,000, and the annual output of recent years Rs.20,000,000. Total production in 1935-36 amounted to 962,000 cwts., as follows: white and unbleached printing (not news), 422,000 cwts.; writing paper and envelopes, 310,000 cwts.; Badami, 101,000 cwts.; packing, 43,000 cwts.; coloured printing (not news), 24,000 cwts.; manilla, 14,000 cwts.; blotting, 5,500 cwts.; pulp boards, 4,500 cwts.; other, 38,000 cwts.

The domestic industry is as yet a minor factor in the trade in paper in the Indian market, but despite the handicap of having to use inferior materials, it is still capable of manufacturing newsprint, and attempts will be made shortly to produce kraft wrappings. Papers of domestic origin will undoubtedly be consumed in increasing amounts in future.

IMPORT TARIFF

The Indian customs tariff provides for revenue or protective duties to be levied on all types of paper imported from abroad. The former rates apply to such papers as are not normally manufactured in local mills and the latter to those which are at present manufactured or which are within the normal range of their capacity.

Printing papers fall into the first of the above categories and, when classifiable as "printing paper, all sorts, not otherwise specified, which contain mechanical wood-pulp up to not less than 70 per cent of the fibre content, and strawboards, all sorts," are dutiable at 25 per cent ad valorem but are exempt from "so much of the import duty as is in excess of" the following amounts, these amounts being, in effect, those at which duty must now be paid: newsprint in reels, unglazed, Rs.1 to Rs.8 per cwt.; newsprint in reels, other sorts, Rs.1 to Rs.12 per cwt.; printing paper, all sorts, not in reels, Rs.2 per cwt.

A second classification of "paper, chrome, marble, flint, poster, and stereo paper; articles made of paper and papier mache, pasteboard, millboard, and cardboard, all sorts other than strawboard," carries a general tariff rate of 30 per cent ad valorem, a preferential rate of 20 per cent ad valorem being applicable to such imports from the United Kingdom. This preference does not apply to any other countries.

Protective rates apply to other printing papers described as "printing paper, excluding chrome, marble, flint, poster, and stereo, all sorts, which contain no

mechanical wood-pulp or in which the mechanical wood-pulp amounts to less than 70 per cent of the fibre content," and amount to one anna per pound. The same rate applies to miscellaneous writing papers and, with the alternative rate of 15 per cent ad valorem, to "ruled or printed forms, including letter paper with printed headings, and account and manuscript books and the binding thereof."

Additional rates applying to other paper imports are as follows: old newspapers, 25 per cent ad valorem; paper money, free; catalogues, imported by parcel post, free; stationery as specified, 30 per cent ad valorem (United Kingdom only, 20 per cent ad valorem); printed books, etc., free; prints, engravings, etc., 50 per cent ad valorem.

The tariff also specifies the values of assessment of several types of paper imports as follows: M.G. pressing paper, 1 anna 8 pies per pound; glazed or unglazed manilla and sulphite envelopes, 1 anna 11 pies per pound; kraft and imitation kraft, 2 annas 2 pies per pound; strawboards, not lined, 4 rupees 12 annas per cwt.; old newspapers in bales and bags, 4 rupees 8 annas per cwt.

PRICES

In general, price is the all-important factor governing sales of paper in the Indian market. Certainly, as far as Indian-owned newspapers and printing establishments are concerned, price and selling terms are of paramount importance, and this same situation obtains to an almost equal degree in the case of European consumers.

At present Canadian newsprint is approximately £2 to £3 per ton higher in price than Scandinavian stocks, the latter having been offered in reels, standard substance and usual widths, at as low as £10 per ton c.i.f. main Indian ports. With Canadian quotations standing at £13, it is obvious that business is practically impossible.

The price factor in connection with writings and book papers which are commonly stocked by distributors for local distribution is less readily outlined but, as in the case of printings, quotations must be low to obtain business.

QUALITIES

In such an extensive and varied trade it is difficult to specify any substances, sizes, or other qualities as standard. In fact there cannot be said to be any degree of uniformity between the paper markets of Bombay and Calcutta, quite apart from those in other parts of India.

In the case of newsprint, standard substances of 50 or 52 grams are specified by the larger newspapers, who buy their paper in reels. Much of the printing paper imported into India, however, is as light as 26 grams, these grades being used for wrapping, cheap printing, and even as cigarette paper. Most of these supplies are from Austria and Scandinavia, and are generally in flat sheets 20 inches by 30 inches, 18 inches by 22 inches, 22 inches by 36 inches, 26 inches by 40 inches, and 29 inches by 44 inches.

Kraft wrappings are customarily wanted in M.G. ribbed of 39 grams substance and of natural shade.

No particular specifications can be quoted as applying to the trade in writings and other types, but in general the market is by no means discriminating with respect to quality and is rather concerned with prices.

REPRESENTATION

Canada's small share in India's paper trade is believed to be due to a large extent to lack of personal knowledge of or contact with the market and to the indirect methods adopted by paper manufacturers of selling their products to local buyers. This office does not know of one firm in India in a position to quote Canadian paper as direct mill representatives, and it is obvious that when

prices are relayed through London, for example, the delays occasioned may be vital and the extra commissions charged by London intermediaries sufficient to make prices unattractive.

The Indian market is one to which exporters must give the closest attention and where active and reliable agents are essential to success. It is believed that more detailed attention to this problem might lead to more extensive sales of Canadian paper in India.

DISTRIBUTION

Newsprint paper in reel packing is shipped directly to one of the larger newspaper publishers in fixed amounts and at arranged dates. In some instances distributors keep stocks on hand in bond for sale to smaller publishers as required, but this method of distribution is elaborate and expensive. Other papers are usually imported on indent by printing firms or bought for stock by a limited number of wholesalers. With the exception of a few large firms, the general practice is to get along on a minimum investment.

OUTLOOK FOR CANADIAN PAPERS

The outlook for Canadian paper trade to India is at present unsatisfactory. Newsprint prices are, as noted above, from £2 to £3 per ton higher than European quotations, and offers will not be considered by local buyers. A smaller differential might in some cases be compensated by the generally superior quality of Canadian supplies. In the case of wrappings, Canada has never been a factor in this business and there are no signs of such participation. The business done in writings and book paper will presumably continue but in small amounts only, while sales of other types and of paper manufactures will rarely be of importance.

If newsprint could be sold at £11 per ton c.i.f. Indian ports, business would almost certainly result. Until this figure can be quoted or, with future price fluctuations, until Canadian offers are within 10 per cent of those of European mills, the Indian market will remain beyond the reach of Canadian exporters.

DURUM WHEAT SITUATION

J. P. MANION, ASSISTANT COMMERCIAL ATTACHÉ

Paris, August 30, 1938.—The statistical services of the French National Wheat Office, which are in a specially favourable position to prepare reliable figures relative to durum wheat—since the North African dependencies of France in normal years produce from 20 to 30 per cent of total world supplies and since the Mediterranean basin is the world's chief consuming region—give the following actual and estimated figures of production of durum wheats in the Northern Hemisphere:—

	Average 1930-1934	Estimated 1938
	Metric Tons	Metric Tons
French Morocco	564,300	300,000
Algeria	614,900	520,000
Tunisia	248,600	210,000
Total of French bloc	1,427,800	1,030,000
Italy	1,580,100	1,900,000
Turkey	500,000	1,200,000
Syria	393,700	470,000
Total Mediterranean	3,901,600	4,600,000
United States	808,400	1,088,700
Canada	350,000	500,000
Iraq	40,000	50,000
Total Northern Hemisphere	5,100,000	6,238,700

According to these statistics, production this year is about 1·1 million tons, or 40 million bushels more than the average during the five years 1930-34. In

addition there is a carryover estimated at 652,000 metric tons, held as follows: Algeria, 40,000; Tunisia, 40,000; Italy, 300,000; and Canada, 272,000 tons. The carryover brings total available supplies up to 6,890,700 tons.

CONSUMPTION AND SURPLUS

The following table shows the estimated consumption in producing countries and the exportable surplus, the latter equalling the production plus carryover minus consumption:—

	Consumption (Estimated) 1938-39 Metric Tons	Exportable Surplus Metric Tons
French Morocco	300,000	.....
Algeria	340,000	220,000
Tunisia	240,000	10,000
France	350,000	350,000*
Italy	1,900,000	300,000
Turkey	700,000	500,000
Syria	460,000	10,000
United States	600,000	488,700
Canada	17,000	755,000
Iraq	40,000	10,000
Totals	5,047,000	1,943,700

* Import.

Since any surplus in Italy will certainly be stocked rather than exported, the real exportable surplus will be 1,643,700 tons, of which Canada will have 755,000 tons, and Canada and the United States together 1,243,700 tons, or 75 per cent.

INTERESTING DEVELOPMENTS

There are three interesting developments in the situation this year. For the first time Turkey has become an important factor in the situation with a large surplus available. It is probable that if Turkey decides to export rather than to stock, political considerations will determine her export market.

Secondly, consumption this year of durum wheat in Italy is estimated at 1,900,000 tons instead of the usual 1,600,000 tons. For several years there has been a greater shortage of durum wheat than of bread wheat in Italy. Many people have, therefore, been obliged to turn to bread instead of pastes. Now they will take advantage of the large durum crop to turn back to pastes.

The third important fact is that French North Africa will only be able this year to export 230,000 tons, whereas France will need 350,000 tons. This means that, despite the large surplus in the Mediterranean basin as a whole, there will be a market in France for 120,000 tons. Most of this will be bought from Canada, since Western Canada's amber durum is well known on the market. Probably France will absorb part of the Syrian surplus and some Iraq wheat, which is also favourably known. Yet there should be a market for 100,000 tons, which will naturally be bought where cheapest consistent with quality.

WHEAT AND FLOUR TRADE REGULATION IN BELGIUM

MAURICE BÉLANGER, ACTING TRADE COMMISSIONER

WHEAT

Brussels, September 16, 1938.—As early as 1932 the Belgian Government took measures to protect wheat growers and ensure the orderly liquidation at remunerative prices of the domestic wheat crop, which normally represents from 20 to 25 per cent of Belgium's total requirements. Regulations were enacted affecting both importers and millers, but these have been amended at various times in view of changing conditions and in the light of the experience gained in their application.

At the outset no special taxes were imposed on imported wheat, but millers were compelled to use at least 5 per cent of domestic wheat in their blends. This proportion was subsequently increased to 10 and later to 20 per cent, and the minimum price of domestic wheat was pegged at 85 francs per 100 kilograms (about 20 cents per bushel above prevailing world prices).

IMPORT LICENCE SYSTEM

In July, 1933, this system, having been found unsatisfactory, was abandoned and replaced by a system of import licences and taxes, the intention being to replace the protection previously afforded through price fixing by a subsidy to producers paid out of the proceeds from the import licence tax. Under this new system millers were no longer required to use a fixed minimum of domestic wheat, but an agreement was nevertheless entered into between the Government and the millers whereby the latter guaranteed to consume the domestic crop every year. The quantity of domestic wheat to be used by each miller is now fixed by the Millers' Association, and depends on the stocks of domestic wheat available and on the quantity and nature of the flour produced in the various mills. The proportion of domestic wheat generally required has been raised to 25 per cent, a contributory factor being an increase of 20 per cent in the Belgian wheat crop this year.

The object of the import licence system is not to reduce the volume of total imports but merely to ensure the payment of a licence tax. It is also used as a bargaining instrument against foreign countries, especially in the matter of exchange or clearing agreements, by reducing or increasing the amount of wheat for which licences are granted for import from the countries concerned. Licences are granted to anyone and for unlimited quantities, and importers may purchase wheat in the country of their choice except in cases where for a special reason imports from certain countries may be temporarily restricted. This may happen if it is found that an exporting country is shipping wheat at an export price lower than the domestic price.

The rate of the import licence tax was set at 10 francs per 100 kilograms (about 9 cents per bushel at present rate of exchange) and was collected from July, 1933, to March 31, 1935, at which date it was cancelled, due to an increase in the price of wheat. It was applied again on August 18, 1935, and remained in force until February 27, 1937, when its application was again suspended until July 21, 1938. On that date the tax was reimposed at the rate of 10 francs per 100 kilograms, but on September 15 it was increased to 20 francs per 100 kilograms (18 cents per bushel). The proceeds of this tax are used, when necessary, to pay a bounty to wheat growers, the amount of which is fixed each year according to the size of the crop and the level of prices. The bounty was previously paid on the basis of the amount of wheat produced, but for the 1935 crop, the last one on which a bounty was paid, the rate was set at 200 Belgian francs per hectare (\$2.60 per acre) sown to wheat. No bounty was paid on the 1936 or 1937 crop, and it has not yet been announced whether one will be paid on this year's crop. A decision on this point will not be made until March or April of next year, at which time the Government will be in a position to estimate average prices for the whole year and to determine whether or not the payment of a subsidy is justified.

In addition to the above special tax, all imported wheat is subject to a regular sales tax of 2.5 per cent of the c.i.f. price. There are no customs duties or special requirements in respect to documents.

IMPORTS OF WHEAT

According to official statistics, imports of wheat into Belgium during the years 1934 to 1937 and the first six months of 1938 were as follows:—

	1934	1935	1936	1937	Jan.-June, 1938
	Figures in Metric Tons of 2,204 Pounds				
Canada	394,407	252,575	641,565	335,509	79,997
Argentina	707,008	616,593	131,284	295,191	53,264
Australia	5,580	3,617	78,550	8,871	1,781
British India . . . . .	.....	.....	.....	.....	3,649
Bulgaria	45,302	.....	.....	.....	.....
Chile . . . . .	.....	3,756	.....	.....	.....
Holland	14,791	17,501	10,142	10,646	6,133
Iraq . . . . .	.....	.....	4,553	25,576	1,462
Iran . . . . .	.....	327	20,294	3,292	.....
Roumania	9,992	.....	117,363	216,758	25,883
Russia	46,496	83,108	40,553	122,306	68,022
Turkey . . . . .	.....	20,124	300	39,753	2,123
United States	53,519	39,907	8,177	116,251	185,088
Uruguay . . . . .	.....	1,590	29,608	3,755	.....
Other countries	22,461	14,056	107,127	42,098	3,612
Total	1,297,556	1,053,154	1,189,516	1,219,906	431,014

NOTE.—One long ton equals 1,015 metric tons; for purposes of comparison the metric ton may therefore be considered as equivalent to the long ton. Conversion to bushels is not possible, as the weight of a bushel varies considerably according to the quality and origin of the wheat. The country from which wheat is imported is not always the country of production and wheat imported from Holland, Great Britain, etc., may be of Canadian or other origin.

WHEAT FLOUR

The Belgian milling industry is well protected. The importation into Belgium of wheat flour for bread making is prohibited; only small quantities to be used for special purposes are permitted entry under licence. Import quotas are granted only for importations from France, Canada, and the United States. France's quota is equal to 20 metric tons per month, and imported French flour may be used only for the manufacture of certain biscuits for export. The quota allotted to Canada and the United States, the two countries being combined for the purpose of the quota, amounts to 50 metric tons monthly, and flour imported from these countries may be used only for the manufacture of "biscottes" (a variety of toasted bread) or for resale as ships' stores. It should be noted that these restrictions do not apply to the Belgian Congo, where wheat flour of any origin may be imported freely.

An import licence tax amounting to 14 francs per 100 kilograms (roughly 22 cents per 100 pounds) was collected until July 4, 1937. It was cancelled on that date but reimposed on July 21, 1938, at the same rate. On September 15 the tax was increased to 28 francs per 100 kilograms (43 cents per 100 pounds).

The duty on flour is 4.60 francs per 100 kilograms (about 7 cents per 100 pounds).

There is a sales tax on imported wheat flour amounting to 2.5 per cent of the duty-paid value for flour packed in barrels or sacks and 5 per cent for flour packaged for retail sale.

Licences for the importation of wheat flour for animal feed are granted freely to any importer and for unlimited quantities, importers being at liberty to purchase such flour wherever they wish. No licence tax is collected, but the rate of duty is the same as for ordinary flour. The sales tax amounts to 2.5 per cent of the duty-paid value. The Government, of course, requires proof that the wheat is actually used for the purpose stipulated.

IMPORTS OF FLOUR

Imports of wheat flour into Belgium during the years 1934 to 1937 and the first six months of 1938 were as follows:—

	1934	1935	1936	1937	Jan.-June, 1938
	Figures in	Metric	Tons of	2,204	Pounds
Canada . . . . .	....	120	98	113	...
France	847	349	484	406	107
Germany	5,745	....	....	....	...
Holland	1,400	....	565	2,078	55
Italy	1,953	2,698	....	....	...
Poland . . . . .	....	449	4,081	291	...
Switzerland . . . . .	....	....	421	....	...
United States	233	104	92	131	84
Other countries	307	859	103	1	12
Total	10,485	4,579	5,844	3,020	258

FOREIGN TRADE OF THE NETHERLANDS, JANUARY TO JUNE

W. G. STARK, ASSISTANT TRADE COMMISSIONER

(Quantities are in metric tons, 2,205 pounds; one florin (fl.) or guilder equals \$0.54 Canadian at the current rate of exchange)

Rotterdam, August 30, 1938.—Figures recently published by the Central Bureau of Statistics indicate that the total value of both Netherlands imports and exports declined during the first half of 1938 compared with the corresponding period of last year. During the months January to June of the current year total imports into the Netherlands had a value of fl.700,755,000 as against fl.746,418,000 in the first half of 1937. The values of exports were fl.498,617,000 and fl.532,255,000 respectively.

The following figures indicate the trend of Holland's external trade quarterly since the beginning of 1936. Coin and precious metals are excluded from this table as well as from the following sections of this report.

External Trade by Quarters

	1936	Imports		Exports	
		1937	1938	1936	1937
		Figures in Millions of Florins			
January-March	233	336	357	156	246
April-June	234	410	344	163	286
July-August	243	398	...	194	314
October-December	307	406	...	233	302
Total for year	1,017	1,550	...	746	1,148

During the second quarter of 1938 there was a drop of 3.64 per cent in the value of imports and 3.54 per cent in the value of exports as compared with the first quarter. At the time of writing foreign trade figures are still declining, and the general outlook is rather dull.

IMPORT TRADE

The value of imports declined from fl.746,418,000 during the January-June period of 1937 to fl.700,755,000 for the same months of the current year—a drop of 6.1 per cent. The volume contracted from 10,810,188 tons to 10,657,779 tons—a fall of approximately 1.45 per cent.

The Netherlands trade returns classify all commodities in thirteen major groups. Comparative figures of imports for the January-June periods of 1937 and 1938 are appended.

Imports by Groups: January to June

	1937		1938	
	M. Tons	Fl. 1,000	M. Tons	Fl. 1,000
Mining and peat industries	4,864,838	66,681	4,859,616	76,909
Agriculture, cattle breeding, fisheries and forestry	2,001,355	243,409	2,050,229	220,219
Foodstuffs and luxury articles	362,767	35,584	364,195	32,989
Earthenware, cement, glass, lime and brick	681,787	11,125	785,722	12,598
Chemicals	1,300,046	65,155	1,353,598	60,672
Wood, cork and straw working	549,930	31,674	392,243	24,399
Paper industry	55,567	10,782	43,059	9,568
Textile industry	54,901	59,660	40,129	40,751
Clothing industry	3,223	16,345	2,562	13,945
Leather, oilcloth and rubber	10,310	14,250	8,064	10,613
Metal, shipbuilding and carriage	879,096	176,058	718,683	181,289
Graphical and art industries	1,522	3,841	1,538	5,577
Other branches of industry	44,846	11,854	38,141	11,226

EXPORT TRADE

The value of Netherlands exports dropped from fl.532,255,000 to fl.498,-617,000 or 6.32 per cent, while the weight decreased from 7,811,253 tons to 7,032,907 tons or about 10 per cent.

The following table shows the value of exports of some of the principal Netherlands articles during the first half of 1938 with comparative figures for 1937.

Principal Exports

	1937	1938
	Fl. 1,000	Fl. 1,000
Cotton goods	17,604	19,869
Woollen goods	610	1,046
Artificial silk yarns	8,360	6,079
Products of engineering industries	12,078	16,399
Radio articles	21,447	18,384
Incandescent light bulbs	3,640	3,161
Paper products	10,653	11,400
Fertilizers	13,065	12,463
Margarine	1,510	1,272
Dairy products	57,336	61,496

DISTRIBUTION OF TRADE

Holland has a large foreign trade with nearby countries, such as Germany, the United Kingdom, Belgium and France. Netherlands India, where most lines of production are in Dutch hands, is also a large purchaser of commodities from the mother country. In addition, a considerable volume of business is done with the United States, Argentina, Sweden, India, Poland, Canada, Switzerland, Soviet Russia, and Spain.

The appended figures show the value of the Netherlands foreign trade with the above named countries during the first half of 1938, with comparative figures for the corresponding period of the year before.

	Imports		Exports	
	January-June 1937	1938	January-June 1937	1938
	Figures in Thousands of Florins			
Germany	153,310	143,165	79,582	76,957
United Kingdom	65,975	54,589	111,702	111,733
Belgium	89,794	77,595	59,474	53,029
Netherlands India	57,462	58,377	39,973	53,877
United States	62,404	85,357	31,515	13,651
France	27,929	28,136	39,369	29,439
Argentina	60,252	35,695	6,735	5,248
Sweden	10,994	12,096	13,587	14,403
India	21,932	10,670	5,617	3,658
Poland	11,900	9,229	8,503	6,467
Switzerland	8,586	8,829	11,866	9,291
Soviet Russia	8,657	8,797	12,026	6,908
Spain	5,653	2,120	8,479	5,107
Canada	8,598	9,344	2,163	2,218

TRADE WITH GERMANY

Imports from Germany decreased from 3,852,434 tons valued at fl.153,-309,646 during the first half of 1937 to 3,690,363 tons worth fl.143,164,878 during the corresponding period of 1938. The weight of exports to Germany rose from 1,058,036 tons to 1,151,095 tons but the value declined from fl.79,582,333 to fl.76,957,111.

Imports of German coal fell from 2,387,400 to 2,085,200 tons; iron, steel and manufactures thereof from 259,400 to 158,400 tons; coal-tar products from 20,500 to 9,000 tons. Less important decreases were registered in imports of unspun cotton, tinplate and manufactures thereof, copper, brass and manufactures thereof, chemicals, paints and dyes, wood and woodwork, piece-goods, paper and paper products.

There were increases in shipments to Germany of coal, fresh vegetables, vegetable products, n.o.p. (chiefly unprocessed straw), and vegetable oils. On the other hand, there were declines in iron ore (roasted pyrites), iron, steel and manufactures thereof, cattle and hogs, salted meat, hides and skins, fish, rye, potatoes, copper, and brass.

TRADE WITH BELGIUM AND LUXEMBOURG

The weight of imports from Belgium and Luxembourg rose during the period January-June from 1,655,774 tons in 1937 to 1,811,663 tons in 1938 but the value dropped from fl.89,794,220 to fl.77,595,236. Exports to Belgium decreased both in weight and value from 2,500,316 tons valued at fl.59,474,339 to 2,392,360 tons at fl.53,029,256.

There were gains in imports from Belgium and Luxembourg of coal, stone, sand, gravel, lime, chalk cement, and chemicals. Declines occurred in arrivals from Belgium of iron and steel, crude petroleum, wood, wheat, maize, seeds, hides and skins, yarns, glass, and rags.

Shipments to Belgium and Luxembourg of coal, coke, etc., dropped considerably; also of iron, steel and manufactures thereof, iron ore (roasted pyrites), vegetable products, n.o.p. (chiefly unprocessed straw), milk products, oats, fresh vegetables, fodder, zinc and zinc manufactures, chemicals, tar products, and bricks.

TRADE WITH THE UNITED KINGDOM

Imports from the United Kingdom declined heavily from 625,523 tons valued at fl.65,975,253 for the first six months of 1937 to 444,353 tons valued at fl.54,588,642 during January-June, 1938. Exports declined in weight from 734,431 tons to 615,453 tons but the value remained on the same level at fl.111,700,000. The export balance rose from fl.46,000,000 to fl.57,000,000.

Decreases were registered in the arrivals of United Kingdom coal from 419,300 to 303,000 tons, iron and steel from 39,700 to 23,200 tons, tinplate and manufactures thereof from 17,100 to 8,700 tons, minerals, n.o.p. (chiefly porcelain clay), from 28,000 to 18,700 tons, fuel oil from 10,700 to nil.

Exports to the United Kingdom of fresh vegetables declined in weight from 72,400 to 50,000 tons, although the value went up considerably from fl.5,000,000 to fl.6,900,000. Shipments of coal dropped from 12,400 tons to practically nil, bran from 36,700 to 28,200 tons, manufactures of flour, n.o.p., from 54,800 to 39,300 tons, paper and paper products from 125,200 to 93,100 tons. Exports of milk products, on the other hand, rose from 38,000 to 47,600 tons and eggs from 20,000 to 23,400 tons.

TRADE WITH FRANCE

Owing to the fact that Netherlands imports from France rose from 240,267 tons valued at fl.27,929,230 to 264,776 tons valued at fl.28,135,665 and exports

declined from 1,220,337 tons with a value of fl.39,369,250 to 1,059,637 tons with a value of fl.29,439,448, the percentage of imports covered by exports dropped from 139.3 to 103.6 per cent.

Imports from France of saltpetre and fertilizers, wood, and crude petroleum were higher. Chemicals remained at the same level, while imports of iron and steel, iron ore, fuel oil, hides and skins, and salt contracted. Shipments to France of coal, vegetable oils, implements, and apparatus declined. Exports of coke remained on approximately the same level, while those of iron and steel and coal-tar products rose.

TRADE WITH NETHERLANDS EAST INDIES

Arrivals from the Netherlands East Indies advanced from 176,741 tons valued at fl.57,461,905 to 223,219 tons with a value of fl.58,377,111. Exports remained on practically the same level as far as weight is concerned, but the value went up from fl.39,972,698 to fl.53,876,817. The import balance dropped from fl.17,000,000 to fl.4,500,000.

Imports of raw cane sugar increased from 16,100 to 58,500 tons, copra from 18,700 to 20,400 tons, rubber from 1,800 to 2,400 tons, tin ore from 14,700 to 18,100 tons, crude petroleum from 200 to 1,400 tons and sugar from 14,900 to 17,100 tons. Arrivals of maize went down from 16,500 to 8,500 tons and of soya beans from 2,000 tons to nil.

TRADE WITH THE UNITED STATES

While imports from the United States rose considerably from 459,559 tons valued at fl.62,404,115 in January-June, 1937, to 881,842 tons valued at fl.85,357,387 for the first six months of 1938, exports to that country declined from 201,661 tons valued at fl.31,515,103 to 70,476 tons valued at fl.13,651,257. Consequently, the import balance rose from fl.31,000,000 to fl.71,700,000.

The increment in the weight of imports from the United States was almost entirely due to larger arrivals of cereals, wheat imports increasing from 21,000 to 130,900 tons, maize from nil to 276,400 tons, rye from 200 to 2,100 tons, and barley from 1,700 to 26,400 tons. Further gains were registered in imports of fresh fruits, from 7,900 to 13,300 tons, dried fruits from 4,500 to 5,700 tons, and wheat flour from 17,000 to 23,500 tons.

There were smaller imports of Chile saltpetre, copper, brass, petroleum, gasoline, crude petroleum and wood.

Exports to the United States declined by weight to about one third of the January-June 1937 total. There were decreases in vegetable oil, coal, lime, cement and chalk, iron and steel, hulled and rolled cereals and tar products.

TRADE WITH ARGENTINA

Arrivals from Argentina declined both in quantity and value, namely from 846,993 tons valued at fl.60,251,999 to 406,056 tons valued at fl.35,694,515. Exports to that country were also lower, dropping from 109,733 tons valued at fl.6,735,129 to 78,127 tons valued at fl.5,247,901.

The large decline in the weight of imports from Argentina was caused by smaller arrivals of cereals, those of wheat falling from 144,700 to 54,200 tons, maize from 412,200 to 96,100 tons, rye from 12,900 to 1,000 tons, and barley from 61,800 to 21,700 tons.

TRADE WITH CANADA

Figures for the period under review reveal a rise in imports credited to the Dominion from 77,984 tons valued at fl.8,598,000 for the first six months

of 1937 to 139,358 tons valued at fl.9,344,000. Netherlands exports to Canada were less in quantity but of a greater value, the comparative totals being 21,819 tons at fl.2,163,000 for January-June, 1937, and 18,104 tons valued at fl.2,218,000 during the first six months of the year.

The gain in Canadian imports into Holland, however, is not a real one. Included in the arrivals listed as from the Dominion are large shipments of United States maize, rye, barley, and soya beans, which were probably exported to this country via the port of Montreal. Actually, imports of Canadian wheat fell off substantially. Imports of oats also declined, but arrivals of buckwheat were considerably higher. Gains, ranged in approximate descending order of value, were also registered for copper, fish meal, drawings, pig iron, hides and skins, semolina, Douglas fir plywood, and binders.

There were large declines in shipments from Canada of copper wire and rods, automobile tires, toilet soap, and fresh apples, and considerable decreases in flour, dried apples, pulp, zinc, aluminium, tallows and fats, Douglas fir wood, building boards, and rubber boots.

The following table lists the principal commodities and groups of commodities imported into Holland from the Dominion during the first six months of 1937 and 1938:—

Principal Imports from Canada

Commodity	Jan.-June, 1937		Jan.-June, 1938	
	M. Tons	Fl. 1,000	M. Tons	Fl. 1,000
Total.....	77,984	8,598	139,358	9,344
Salmon, fresh, salted, smoked.....	27	17	22	16
Inedible tallows and fats.....	85	22	.....	.....
Animal casings.....	36	7	.....	.....
Fish meal.....	92	7	536	54
Wheat.....	65,644	6,149	32,102	2,742
Maize.....	.....	.....	67,401	3,550
Rye.....	1,414	134	7,182	451
Barley.....	.....	.....	20,451	1,112
Oats.....	3,047	239	2,546	193
Buckwheat.....	262	18	1,159	87
Fresh apples.....	1,762	136	.....	.....
Dried apples.....	103	28	.....	.....
Grass seeds.....	.....	.....	18	2
Soya beans.....	.....	.....	1,202	91
Linseed cake.....	154	10	.....	.....
Raw and semi-manufactured commodities of vegetable origin.....	255	26	195	15
Pig iron.....	.....	.....	159	20
Copper, in blocks and bars.....	356	186	753	302
Non-insulated wire.....	1,151	676	478	196
Zinc, in blocks and bars.....	102	25	.....	.....
Aluminium, in blocks and sheets.....	31	24	.....	.....
Asbestos.....	185	16	190	20
Flour.....	590	68	214	24
Semolina.....	.....	.....	254	26
Toilet soap.....	307	183	.....	.....
Douglas fir, logs, timber (cu. meters).....	.....	.....	792	23
Douglas fir, planks and boards (cu. meters).....	947	46	.....	.....
Douglas fir, plywood.....	161	29	291	52
Sulphite pulp.....	187	26	.....	.....
Wood products.....	15	4	.....	.....
Rubber boots (pairs).....	4,885	16	.....	.....
Raw hides and skins.....	.....	.....	52	18
Corsets and brassieres (number).....	.....	.....	2,244	3
Caps, berets and bonnets (number).....	.....	.....	10,063	1
Leather gloves (dozen pairs).....	806	8	.....	.....
Building board.....	361	47	205	29
Binders (units).....	.....	.....	20	11
Automobile tire casings (number).....	14,601	256	1,706	51

Though the weight declined, the value of Netherlands exports to Canada was slightly above that recorded for the January-June period of 1937. Considerable gains were made in shipments of medicines, manufactures of lead,

chemical products, and nursery stock. Exports of rope and twine, principally binder twine, Holland's most important commodity for Canada, were lower, due mainly to the smaller Western harvest last year. Comparative figures are as follows:—

Principal Exports to Canada

Commodity	Jan.-June, 1937		Jan.-June, 1938	
	M. Tons	Fl. 1,000	M. Tons	Fl. 1,000
Total	21,819	2,163	18,104	2,218
Pickled herring	75	11	.....	.....
Poppy seed	21	5	10	4
Caraway seed	20	6	10	2
Canary seed . . . . .	.....	.....	32	3
Mustard seed	143	19	31	5
Vegetable seeds	20	14	.....	.....
Sugarbeet seed . . . . .	.....	.....	15	6
Strawberry pulp	139	25	.....	.....
Preserved vegetables	111	16	220	28
Bulbs	37	23	46	30
Nursery stock	430	132	497	153
Products of vegetable origin, n.o.p. . .	39	14	52	16
Wire netting	63	11	.....	.....
Manufactures of lead, n.o.p. . . . .	.....	.....	46	33
Potato flour	1,082	73	259	24
Dextrine	533	67	337	44
Medicines . . . . .	.....	.....	18	67
Non-specified chemical products	142	59	199	87
Paint products	809	107	662	70
Raw pelts	7	31	.....	.....
Rope and twine	1,715	464	1,435	402
Fishing nets	17	36	2	13
Dyed cotton piece-goods	3	8	4	6
Multi-coloured cotton piece-goods . . .	56	111	32	61
Plush . . . . .	.....	.....	2	4
Table and household linen	6	14	5	8
Lace . . . . .	.....	.....	1	2
Tape and ribbons of pure and/or artificial silk (100 metres) . . . . .	.....	.....	940	2
Piece-goods, n.o.p. . . . .	.....	.....	2	3
Carpets and mats of jute	4	3	.....	.....
Printing and writing paper . . . . .	.....	.....	45	12
Greaseproof parchment paper	27	7	.....	.....
Cocoapowder	47	18	123	25
Chocolate . . . . .	.....	.....	3	3
Implements, n.o.p.	3	16	2	9
Optical and scientific apparatus . . . .	.....	.....	2	36
Non-specified products . . . . .	.....	.....	2	10
Woollen, linen and cotton rags	480	98	509	103

TARIFF CHANGES AND CUSTOMS REGULATIONS

United States

QUOTA ON RED CEDAR SHINGLES

An executive order was signed by the President on August 9, fixing the quota on red cedar shingles permitted entry into the United States from Canada for the last six months of the current year at 864,881 squares.

Under the Canada-United States Trade Agreement the quota on red cedar shingles is established half yearly at 25 per cent of the combined imports and domestic shipments during the preceding half-year. For the first six months of 1938 this total amounted to 3,459,523 squares.

The previous quota, for the first six months of 1938, amounted to 916,246 squares.

Sweden

FLOUR-MILLING REGULATIONS CONTINUED

With reference to the report in *Commercial Intelligence Journal* No. 1799 (July 23, 1938), page 146, Mr. Richard Grew, Canadian Trade Commissioner at Oslo, advises that a Swedish royal resolution of August 31, 1938, retains the percentages of Swedish wheat which must be mixed with the imported product during the milling period September 1 to October 31, 1938, at 90 in the case of the total milling percentage and at 80 in the case of the so-called minimum percentage permitted for the individual lots milled.

INCREASED WHEAT TAX

Mr. Richard Grew, Canadian Trade Commissioner at Oslo, writes that a Swedish resolution effective from September 1, 1938, to August 31, 1939, provides for an increase in the tax on domestic and imported wheat intended for the production of flour or groats. The increase is from 0.5 krona to 2 kronor per 100 kilograms for the month of September and to 2.5 kronor per 100 kilograms thereafter; or at current exchange from approximately $3\frac{1}{3}$ cents to 13.6 cents per bushel for the month of September and to 17 cents per bushel for the rest of the period. (See *Commercial Intelligence Journal* No. 1782: March 26, 1938, page 457.)

The customs duty on wheat imported into Sweden is 3.7 kronor per 100 kilos (at current exchange approximately 25 cents per bushel).

Belgium

IMPORT LICENCES FOR CHEESE

Mr. Yves Lamontagne, Canadian Trade Commissioner at Brussels, reports that a Belgian royal decree, published September 14, 1938, provides that hard or semi-hard fermented cheese may only be imported into Belgium subject to the granting of an import licence to the importer by the Belgian Department of Agriculture. Canadian cheddar and processed Canadian cheese, known in Canada as cream cheese, are included in this classification.

LICENCE TAX ON WHEAT FLOUR

With reference to the notice in last week's issue of the *Commercial Intelligence Journal* (No. 1808), page 561, the Canadian Trade Commissioner in Brussels advises that the new Belgium licence tax on wheat flour is 28 francs per 100 kilograms (43 cents per 100 pounds) instead of 26.50 francs.

Netherlands

MONOPOLY TAX ON RYE INCREASED

Mr. J. A. Langley, Canadian Trade Commissioner at Rotterdam, writes that a ministerial order, effective September 11, 1938, increases the Netherlands monopoly tax on rye from fl.3.50 to fl.4 per 100 kilos (220 pounds). Denatured rye for feeding purposes is subject to a monopoly tax of fl.2.50 per 100 kilos.

Denmark

IMPORTATION OF OATS RESTRICTED

Mr. Richard Grew, Canadian Trade Commissioner at Oslo, writes that, effective September 10, the importation of both milled and unmilled oats into Denmark has been prohibited unless import permits have been obtained from

the Danish Department of Agriculture. A similar regulation covering wheat and rye became effective as from August 26. (See *Commercial Intelligence Journal* No. 1806: September 10, 1938, page 450).

Owing to the fact that Denmark harvested a large crop of oats this season, there are abundant supplies available for feeding purposes at prices which compete with foreign oats. The chief reason for the prohibition is to prevent the importation of oats for the production of groats. It is the opinion of the Department of Agriculture that ample supplies of a satisfactory quality are available in Denmark, and it is desired to use as much of the domestic product as possible.

IMPORTS INTO THE UNITED STATES OF PRODUCTS UNDER THE QUOTA PROVISIONS OF THE TRADE AGREEMENT

The following table, prepared by the Canadian Trade Commissioner's office at New York from preliminary figures issued by the Treasury Department at Washington, shows the standing of the quotas provided for under the Canada-United States Trade Agreement up to September 3, 1938. The percentage of quota used by Canada up to August 28, 1937, is also given for comparative purposes:—

	Total of Quota	Reduction in Duty	Used by Canada		
			1938	1937	
			Total Amount	Per Cent to Sept. 3	Per Cent to Aug. 28
Cattle (700 lbs. or more)	155,799 head	3 to 2 cts. per lb.	34,010	21.8	Quota filled
Calves (less than 165 lbs.)	51,933 head	2½ to 1½ cts. per lb.	32,610	60.8	Quota filled
Dairy cows	20,000 head	3 to 1½ cts. per lb.	4,288	21.4	20.0
Cream	1,500,000 gallons	56½ to 35 cts. per gal.	4,450	0.3	5.9
Seed potatoes	750,000 bushels	75 to 60 cts. per 100 lbs.	516,024	68.8	81.0
		Dec. 1 to end of February; 45 cts. Mar. 1 to Nov. 30			
Unmanufactured lumber (Douglas fir and Western hemlock) M ft. b.m.	250,000	\$1 to 50 cts. per M ft. b.m. duty; \$3 to \$1.50 tax	104,618 M ft. b.m.	41.9	35.3
Red cedar shingles	864,881* squares	Free	694,614† squares	80.3	38.2

* The quota on red cedar shingles is for the six-month period, July 1 to December 30.

† Under date September 21, the Trade Commissioner's office at New York states that imports on September 19 amounted to 860,636 squares, representing 99.5 per cent of the quota.

Of the total 1938 imports of fir and hemlock under the quota provisions of the trade agreement, 67,295 M feet board measure were Douglas fir, 17,983 M feet board measure Western hemlock, and 19,339 M feet board measure mixed fir and hemlock.

During the period under review total imports of cattle weighing 700 pounds and more amounted to 61,983 head or 39.8 per cent of the total quota. Of this number, 27,973 head were imported from Mexico. Total imports to September 3, 1938, of cattle weighing less than 175 pounds amounted to 34,674 head or 66.8 per cent of the quota. Of this total, 2,064 were imported from Mexico.

FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING SEPT. 26, 1938

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, September 26, 1938, and for the week ending Monday, September, 19, 1938, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending Sept. 19	Nominal Quotations in Montreal Week ending Sept. 26	Official Bank Rate
Austria	Schilling	.1407	.....	.....	—
Belgium	Belga	.1001	\$.1697	\$.1708	3
Bulgaria	Lev	.0072	.0125	.0125	6
Czechoslovakia	Koruna	.0296	.0346	.0347	3
Denmark	Krone	.2680	.2155	.2143	4
Finland	Markka	.0252	.0213	.0212	4
France	Franc	.0392	.0270	.0268	2½
Germany	Reichsmark	.2382	.4023	.4018	4
Great Britain	Pound	4.8666	4.8300	4.8037	2
Greece	Drachma	.0130	.0088	.0088	6
Holland	Guilder	.4020	.5414	.5383	2
Hungary	Pengo	.1749	.2982	.2993	4
	Unofficial		.1976	.1982	—
Italy	Lira	.0526	.0529	.0531	4½
Yugoslavia	Dinar	.0176	.0229	.0227	5
Norway	Krone	.2680	.2427	.2412	1½
Poland	Zloty	.1122	.1892	.1895	4½
Portugal	Escudo	.0442	.0435	.0435	4-4½
Roumania	Leu	.0060	.0073	.0073	3½
Spain	Peseta	.1930	.0513	.0521	5
Sweden	Krona	.2680	.2490	.2475	2½
Switzerland	Franc	.1930	.2269	.2260	1½
United States	Dollar	1.0000	1.0056	1.0093	1
Mexico	Peso	.4985	.1953	.1960	3
Cuba	Peso	1.0000	1.0050	1.0087	—
Guadeloupe	Franc	.0392	.0270	.0268	—
Jamaica	Pound	4.8666	4.9400	4.8140	—
Martinique	Franc	.0392	.0270	.0268	—
Other British West Indies	Dollar	1.0138	1.0061	1.0008	—
Argentina	Peso (Paper)	.4245	.3219	.3200	3½
	Unofficial		.2544	.2549	—
Brazil	Milreis (Paper)	.1195	.0588	.0591	—
British Guiana	Dollar	1.0138	1.0060	1.0008	—
Chile	Peso	.1217	.0521	.0523	3-4½
	Unofficial		.0400	.0404	—
Colombia	Peso	.9733	.5690	.5719	4
Peru	Sol	.2800	.2011	.2019	6
Venezuela	Bolivar	.1930	.3017	.3079	—
Uruguay	Peso	1.0342	.6356	.6321	—
South Africa	Pound	4.8666	4.8237	4.7980	3½
Egypt	Pound (100 Piastres)	4.9431	4.9475	4.9250	—
China (Shanghai)	Dollar	.....	.1754	.1736	—
Hongkong	Dollar	.....	.3010	.2997	—
India	Rupee	.3650	.3602	.3581	3
Japan	Yen	.4985	.2814	.2796	3.29
Java	Guilder	.4020	.5417	.5380	—
Siam	Baht (Tical)	.4424	.4425	.4381	—
Straits Settlements	Dollar	.5678	.5603	.5571	—
Australia	Pound	4.8666	3.8630	3.8430	3
New Zealand	Pound	4.8666	3.8950	3.8740	2

The Dominion Bureau of Statistics has supplied the following note:—

Exchange markets recovered following the opening of European diplomatic negotiations but declined again as it became evident that these would be prolonged. The British pound advanced 1·8 cent to \$4·8470 on September 20 but, with selling pressure renewed, sterling moved down steadily to close at \$4·8039 on September 26, netting a loss of over 4 cents during the week. Other European currencies, the belga excepted, ruled easier. The French franc receded from 2·71 cents to 2·68 cents, and the Dutch guilder fell from 54·14 cents to 53·83 cents during this period. Premiums on United States funds rose gradually from ½ of 1 per cent to 1½ of 1 per cent.

TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

Secretary, Board of Trade—

Saint John, N.B.
Halifax, N.S.
Quebec, P.Q.
Montreal, P.Q.
Toronto, Ont.
Chatham, Ont.

Kitchener, Ont.
Brantford, Ont.
Stratford, Ont.
Woodstock, Ont.
St. Mary's, Ont.
Portage la Prairie, Man.

St. Boniface, Man.
Winnipeg, Man.
Vancouver, B.C.
New Westminster, B.C.

Secretary, Chamber of Commerce—

Sherbrooke, P.Q.
Kingston, Ont.
Oshawa, Ont.
Belleville, Ont.

Peterborough, Ont.
London, Ont.
St. Catharines, Ont.
Hamilton, Ont.

Victoria, B.C.
Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.—

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

Secretary, Canadian Manufacturers Association—

Secretary Canadian Manufacturers Association—

Toronto, Ont.
Montreal, P.Q.

Winnipeg, Man.
Edmonton, Alta.

Vancouver, B.C.
Victoria, B.C.

Director, Trade Extension, Victoria, B.C.

Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.

Commodity	No.	Location of Inquirer	Purchase or Agency
Miscellaneous—			
Cotton Velours.....	494	London, England.....	Purchase or Agency.
Leather, Chamois.....	495	Cologne, Rhine, Germany..	Purchase or Agency.
Leather, Chrome Tan.....	496	Wellington, New Zealand..	Purchase.
Furniture (Reed and Fibre, Verandah; also Folding Chairs and Card Tables).....	497-500	Kingston, Jamaica.....	Agency.
Gliders.....	501	Kingston, Jamaica.....	Agency.
Pruning Shears (Secateurs).....	502	London, England.....	Purchase.
Galvanized Wire (No. 9) for Cooperage Purposes.....	503	Glasgow, Scotland.....	Purchase and Agency.
Combined Unit Air Conditioners.	504	Kingston, Jamaica.....	Purchase.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Montreal

To Liverpool.—Duchess of Richmond, Oct. 7 and Nov. 4; Duchess of York, Oct. 14; Duchess of Atholl, Oct. 21; Duchess of Bedford, Oct. 28—all Canadian Pacific; Andania, Oct. 7 and Nov. 4; Antonia, Oct. 21—both Cunard-White Star Line; Taborfjell, Oct. 8; Glitrefjell, Oct. 29—both Fjell Line.

To London.—Beaverburn, Oct. 7; Beavercdale, Oct. 14; Beaverford, Oct. 21; Beaverbrae, Oct. 28; Beaverhill, Nov. 4—all Canadian Pacific; Alaunia, Oct. 7; Aurania, Oct. 14; Ascania, Oct. 21; Ausonia, Oct. 28—all Cunard-White Star Line; Ornefjell, Oct. 5; Carmelfjell, Oct. 19; Tindeffjell, Nov. 2—all Fjell Line.

To Manchester.—Manchester Commerce, Oct. 6; Manchester Progress, Oct. 13; Manchester Citizen, Oct. 20; Manchester City, Oct. 27; Manchester Port, Nov. 10—all Manchester Line; Taborfjell, Oct. 8; Glitrefjell, Oct. 29—both Fjell Line.

- To Southampton.*—Montrose, Canadian Pacific, Oct. 29.
- To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.*—New York City, Oct. 17; Boston City, Nov. 4; Bristol City, Nov. 23—all Bristol City and Dominion Lines; Dakotian, Oct. 7; Norwegian, Oct. 26; Dorelian, Nov. 12—all Cunard-Donaldson and Dominion Lines.
- To Glasgow.*—Sulairia, Oct. 7; Athenia, Oct. 14; Delilian, Oct. 21; Letitia, Oct. 28—all Donaldson-Atlantic Line.
- To Newcastle and Leith.*—Cairnross, Oct. 5; Cairnvalona, Oct. 12; Cairnglen (also calls at Dundee), Oct. 19; Cairnesk, Nov. 2; Cairnmona, Nov. 9—all Cairn-Thomson Line.
- To Aberdeen and Hull.*—Consuelo, Oct. 13; Bassano, Oct. 28; Kelso, Nov. 10—all Ellerman's Wilson Line.
- To Dublin and Belfast.*—Melmore Head, Oct. 9; Torr Head, Oct. 27—both Head Line (cargo accepted for Cork and Londonderry).
- To Hamburg and Bremen.*—Beaverbrae, Oct. 28; Beaverford, Nov. 25—both Canadian Pacific (do not call at Bremen); Augsburg, North German Lloyd Line, Oct. 21; Bochum, Hamburg-American Line, Nov. 18.
- To Copenhagen, Gothenburg, Stockholm and Helsingfors.*—Braheholm, Oct. 3; Lagaholm, Oct. 21—both Swedish-America-Mexico Line.
- To Norwegian Ports.*—Taborfjell, Oct. 8; Glitrefjell, Oct. 29—both Fjell Line; Idefjord, Oct. 29; Randsfjord, Nov. 5—both Norwegian-American Line.
- To Antwerp and Havre.*—Beaverburn, Oct. 7; Beaverdale, Oct. 14; Beaverford, Oct. 21; Montrose, Oct. 29—all Canadian Pacific (do not call at Havre); August (does not call at Havre), Oct. 14; Flint 2 (does not call at Antwerp), Oct. 20; Hada County (does not call at Havre), Nov. 2—all County Line; Ornefjell, Oct. 5; Carmelfjell, Oct. 19; Tindefjell, Nov. 2—all Fjell Line (do not call at Havre).
- To Rotterdam.*—Grey County, Oct. 10; Flint 2, Oct. 20; Lista, Nov. 6—all County Line; Ornefjell, Oct. 5; Carmelfjell, Oct. 19; Tindefjell, Nov. 2—all Fjell Line.
- To Marseilles, Genoa, Leghorn, Naples, Messina, Palermo, Gibraltar and Lisbon.*—Capo Noli, Oct. 1; Capo Lena, Oct. 22—both Capo Line (will also call at Cadiz and/or Seville and/or Casablanca if sufficient cargo offers).
- To St. John's, Nfld.*—Bencas (also calls at Channel, English Harbour, Grand Bank, Harbour Buffet, St. Lawrence and Bay Bulls), Oct. 5 or 6; Anna (also calls at Harbour Grace, Bay Roberts, Carbonear and Port Union), Oct. 17; Mosna, Oct. 20 or 21—all Shaw Line (will call at other Newfoundland south coast ports as cargo offerings warrant); Belle Isle, Newfoundland-Canada SS. Ltd., Oct. 7 and 21 (also calls at St. Pierre-Miquelon).
- To Cornerbrook, Nfld.*—Gaspesia, Oct. 5 and 19; New Northland, Oct. 10—both Clarke SS. Co.
- To Puerto Rico, Barbados, Trinidad and Demerara.*—Cornwallis, Oct. 13; Chomedy, Oct. 27; Colborne, Nov. 10—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).
- To Hamilton, Nassau, Kingston and Belize.*—Cavelier (calls at Kingston only), Oct. 7; Lady Somers, Oct. 12; Cathcart (calls at Kingston only), Oct. 21; Lady Rodney, Oct. 26—all Canadian National.
- To Bermuda, St. Kitts, Antigua, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Maud, Oct. 7; Heroy, Oct. 22—both Ocean Dominion SS. Corp. (call at Guadeloupe and Martinique if sufficient cargo offered).
- To Santos and Buenos Aires.*—Ravnaas (also calls at Rio de Janeiro), Oct. 12; Hektor (will call at Rio de Janeiro if sufficient cargo offered), Oct. 27; a steamer (will call at Rio de Janeiro if sufficient cargo offered), Nov. 9—all International Freighting Corp.
- To Brisbane, Sydney, Melbourne and Adelaide.*—City of Delhi, Montreal Australia New Zealand Line, Oct. 30 (will also call at Geelong).
- To Auckland, Wellington, Lyttelton and Dunedin.*—Kaipara, Montreal Australia New Zealand Line, Oct. 21.
- To Cape Town, Port Elizabeth, East London and Durban.*—Cochrane, Elder Dempster Lines Ltd., Oct. 30.
- To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Madras, Rangoon, Calcutta and Singapore.*—A steamer, Canada-India Service, Oct. 15.
- To Manila, Hongkong and Shanghai.*—Phemius, Blue Funnel Line, Oct. 20.

From Quebec

To Southampton.—Empress of Britain, Canadian Pacific, Oct. 8 and 22, Nov. 5.

From Halifax

To Liverpool.—Nova Scotia, Oct. 8; Newfoundland, Oct. 25—both Furness Line; Manchester Producer, Oct. 13; Manchester Brigade, Oct. 31—both Manchester Line.

To London and Rotterdam.—Maasdam, Oct. 8; Edam, Oct. 24; Binnendijk, Nov. 2; Tiradentes, Nov. 13—all Holland-America Line.

To Manchester.—Manchester Port, Oct. 2; Manchester Commerce, Oct. 9; Manchester Progress, Oct. 16; Manchester Citizen, Oct. 23; Manchester Regiment, Oct. 30—all Manchester Line.

To Newcastle.—Cairnross, Oct. 8; Cairnvalona, Oct. 15; Cairnesk, Nov. 5—all Cairn-Thomson Line.

To Cardiff and Bristol.—New York City, Oct. 20; Boston City, Nov. 7—both Bristol City and Dominion Lines

To St. John's, Nfld.—Fort Amherst, Oct. 3, 17 and 31; Fort Townshend, Oct. 10 and 24—both Furness-Red Cross Line (also call at St. Pierre); Magnhild (also calls at St. Pierre and Newfoundland outports), Newfoundland-Canada SS. Ltd., Oct. 3 and 17; Nova Scotia, Oct. 8; Newfoundland, Oct. 25—both Furness Line; Portia, Newfoundland Rys. and SS. Co., Oct. 12.

To Kingston, Jamaica.—Cavelier, Oct. 10; Cathcart, Oct. 24—both Canadian National.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Drake, Oct. 6; Lady Nelson, Oct. 20; Lady Hawkins, Nov. 3—all Canadian National; Maud, Oct. 12; Heroy, Oct. 27—both Ocean Dominion SS. Corp. (call at Guadeloupe and Martinique if sufficient cargo offered but not at Nevis or Montserrat).

To Puerto Rico, Barbados, Trinidad and Demerara.—Colborne, Oct. 3; Cornwallis, Oct. 17; Chomedy, Oct. 31—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To Santiago (Cuba) and Kingston (Jamaica).—Lillemor, Oct. 5; Kirsten B., Oct. 19—both Pickford & Black Ltd. (also call at Jamaican outports as cargo offers).

To Far East Ports.—Chinese Prince, Furness-Prince Line, Oct. 22; Silversandal, Oct. 4; Silveryew, Nov. 3—both Silver Line.

From Saint John

To Liverpool.—Manchester Producer, Oct. 10; Manchester Brigade, Oct. 31—both Manchester Line.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Nelson, Oct. 12; Lady Hawkins, Oct. 26; Lady Drake, Nov. 9—all Canadian National.

To Kingston and Jamaican Outports.—Crawford Ellis, United Fruit Co., Oct. 7 and 21 (cargo accepted for Caribbean, Central and South American ports with transshipment at Kingston).

From Vancouver

To Yokohama, Kobe and Osaka.—Hie Maru, Oct. 15; Heian Maru, Oct. 29; Hikawa Maru, Nov. 19—all Nippon Yusen Kaisha.

To Yokohama, Kobe, Shanghai, Hongkong and Manila.—Empress of Japan (calls at Honolulu), Oct. 14; Empress of Asia (calls at Nagasaki), Oct. 29; Empress of Canada (calls at Honolulu), Nov. 12; Empress of Russia (calls at Nagasaki), Nov. 26—all Canadian Pacific; Tyndareus, Oct. 4; Ixion, Nov. 3—both Blue Funnel Line (call at Miike but not at Manila).

To Honolulu, Suva, Auckland and Sydney.—Niagara, Oct. 26; Aorangi, Nov. 23—both Canadian-Australasian Line.

To Manila, Iloilo, Cebu, Soerabaya, Samarang, Batavia, Colombo and Bombay.—Silverlaurel (calls at Belawan Deli, will also call at Singapore and Port Swettenham if cargo offers), Oct. 24; Hoegh Silverlight (calls at Saigon, Singapore and Persian Gulf ports, also at Port Swettenham and Belawan Deli if cargo offers), Nov. 1—both Silver-Java Pacific Line.

To Papeete, Auckland, Wellington, Dunedin, Melbourne and Sydney.—Speybank (also calls at Lyttelton), Oct. 2; Limerick (calls at Lyttelton but not at Dunedin), Oct. 20—both Canadian-Australasian Line.

To Brisbane, Sydney, Melbourne and Adelaide.—Tolken, Empire Shipping Co. Ltd., Oct. 10.

To London, Liverpool and Rotterdam.—A steamer, North Pacific Coast Line, Oct. 15 (will call at Southampton if inducements offer).

To Antwerp, Hamburg and Bremen.—Schwabens, Oct. 3; Weser, Nov. 1—both North German Lloyd Line; Vancouver, Oct. 19; Oakland, Nov. 21—both Hamburg-American Line.

To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.—Wisconsin, Oct. 24; Barfleur, Oct. 31—both Empire Shipping Co. Ltd.

To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.—Fella, Oct. 11; Rialto, Nov. 6—both Empire Shipping Co. Ltd.

To Port of Spain (Trinidad) and Bridgetown (Barbados).—A steamer, Canadian Transport Co., October.

To Cape Town, Port Elizabeth, East London, Durban and Lourenco Marques.—Silverwillow, Oct. 7; Modjokerto, Nov. 5—both Silver-Java Pacific Line (call at Beira and Calcutta, will also call at Colombo and Madras if sufficient cargo offers).

To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.—Leikanger, Oct. 27; Evanger, Nov. 28—both Empire Shipping Co. Ltd. (will call at West Coast ports if sufficient cargo offered).

Note.—Firms who desire information concerning ocean and mail services may have their names placed on the mailing list of the Post Office Weekly Bulletin by applying to the Post Office Department.

COMMERCIAL INTELLIGENCE SERVICE

L. D. WILGRESS, *Director*

Argentina

J. A. STRONG, B. Mitre 430, Buenos Aires (1). (Territory includes Uruguay.) *Cable address, Canadian.*

Australia

Sydney: L. M. COSGRAVE. Address for letters—P.O. Box No. 3952V. Office—City Mutual Life Building, Hunter and Bligh Streets. (Territory includes the Australian Capital Territory, New South Wales, Queensland, Northern Territory and Dependencies.) *Cable address, Canadian.*

Melbourne: FREDERICK PALMER. Address for letters—Box 196C, G.P.O. Office—Safe Deposit Office Building. (Territory includes States of Victoria, South Australia, Western Australia, and Tasmania.) *Cable address, Canadian.*

Belgium

YVES LAMONTAGNE, Shell Building, 60 Ravenstein Street, Brussels. *Cable address, Canadian.*

Brazil

L. S. GLASS. Address for letters—Caixa Postal 2164, Rio de Janeiro. Office—Ed. Da. "A. Noite," Sala 802, Praca Maua. *Cable address, Canadian.*

British India

PAUL SYKES. Address for letters—P.O. Box 2003, Calcutta. Office—23 Esplanade Mansions, Government Place East, Calcutta. (Territory includes Burma and Ceylon.) *Cable address, Canadian.*

British Malaya

B. C. BUTLER, Union Building, Singapore, Straits Settlements. (Territory includes the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India.) *Cable address, Canadian.*

British West Indies

Trinidad: M. B. PALMER. Address for letters—P.O. Box 125, Port of Spain. Office—Barclay's Bank Building. (Territory includes Barbados, Windward and Leeward Islands, and British Guiana.) *Cable address, Canadian.*

Jamaica: F. W. FRASER, P.O. Box 225, Kingston. Office—Canadian Bank of Commerce Chambers. (Territory includes Haiti, the Bahamas, and British Honduras.) *Cable address, Canadian.*

China

H. A. SCOTT. Address for letters—P.O. Box 264, Shanghai. Office—Ewo Building, 27 The Bund, Shanghai. (Territory includes Central China and North China.) *Cable address, Canadian.*

Cuba

C. S. BISSETT. Address for letters—Apartado 1945, Havana. Office—Royal Bank of Canada Building, Calle Aguiar 75, Havana. (Territory includes Dominican Republic and Puerto Rico.) *Cable address, Canadian.*

Egypt

HENRI TURCOT. Address for letters—P.O. Box 1770, Cairo. Office—22 Shari Kasr el Nil, Cairo. (Territory includes the Sudan, Palestine, Cyprus, Iraq, Syria, Iran, Greece, Turkey, Bulgaria, and Roumania.) *Cable address, Canadian.*

France

HERCULE BARRÉ, Commercial Attaché, 3 rue Scribe, Paris (9). (Territory includes French Colonies in North Africa.) *Cable address, Cancomac.*

Germany

J. C. MACGILLIVRAY, Bendlerstrasse 38, Berlin, W.35. (Territory includes Czechoslovakia and Poland.) *Cable address, Cantracom.*

Hongkong

V. E. DUCLOS. Address for letters—P.O. Box 80, Hongkong. Office—Hongkong and Shanghai Bank Building, Hongkong. (Territory includes South China, the Philippines, and Indo-China.) *Cable address, Canadian.*

Ireland

JAMES CORMACK, 66 Upper O'Connell Street, Dublin, Ireland (*cable address, Canadian*); and 36 Victoria Square, Belfast, Northern Ireland.

CANADIAN GOVERNMENT TRADE COMMISSIONERS—*Con.*

Italy

A. B. MUDDIMAN. Via Manzoni Nr. 5, Milan (102). (Territory includes Spain, Portugal, Gibraltar, Malta, Albania, and Yugoslavia.) *Cable address, Canadian.*

Japan

Tokyo: C. M. CROFT, Commercial Secretary. Address for letters—P.O. Box 18, Akasaka Post Office, Tokyo. Office—Canadian Legation, 16 Omotecho, 3-chome, Akasakaku Tokyo. *Cable address, Canadian.*

Kobe: P. V. McLANE. Address for letters—P.O. Box 230, Kobe. Office—309 Crescent Building, 72 Kyomachi, Kobe. *Cable address, Canadian.*

Mexico

R. T. YOUNG. Address for letters—Apartado Num. 126-Bis, Mexico City. Office—Edificio Banco de Londres y Mexico, Num. 30, Mexico City. (Territory includes Guatemala, Honduras, and Salvador.) *Cable address, Canadian.*

Netherlands

J. A. LANGLEY, Coolsingel 111b, Rotterdam. (Territory includes Switzerland.) *Cable address, Canadian.*

New Zealand

W. F. BULL. Address for letters—P.O. Box 33, Auckland. Office—Yorkshire House, Shortland Street, Auckland. (Territory includes Fiji and Western Samoa.) *Cable address, Canadian.*

Norway

RICHARD GREW, Stortingsgaten 28, Oslo. (Territory includes Sweden, Denmark, and Finland.) *Cable address, Canadian.*

Panama

W. J. RIDDIFORD. Address for letters—P.O. Box 222, Panama City. Office—Royal Bank of Canada Building, Santa Ana Plaza, Panama City. (Territory includes the Canal Zone, Venezuela, Colombia, Nicaragua, and Costa Rica.) *Cable address, Canadian.*

Peru

M. J. VECHSLER. Address for letters—Casilla 1212, Lima. Office—Portal de Belén No. 166, Plaza San Martin, Lima. (Territory includes Bolivia, Ecuador, and Chile.) *Cable address, Canadian.*

South Africa

Cape Town: G. R. HEASMAN. Address for letters—P.O. Box 683. Office—Cleghorn & Harris Building, Adderley Street. (Territory includes Cape Province and Southwest Africa, Natal, Tanganyika, Kenya, Uganda, Mauritius, and Madagascar.) *Cable address, Cantracom.*

Johannesburg: J. L. MUTTER. Address for letters—P.O. Box 715. Office—Prudential Assurance Bldg., 92 Fox Street. (Territory includes Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland.) *Cable address, Cantracom.*

United Kingdom

London: FREDERIC HUDD, Chief Trade Commissioner in the United Kingdom, Canada House, Trafalgar Square, S.W.1. *Cable address, Sleighing, London.*

London: J. H. ENGLISH, Trade Commissioner, Canada House, Trafalgar Square, S.W.1. (Territory includes Home Counties, Southeastern Counties, and East Anglia.) *Cable address, Sleighing, London.*

London: W. B. GORNALL, Fruit Trade Commissioner, Aldine House, Bedford Street, Strand, W.C.2. *Cable address, Canfrucum.* (Territory—for fresh fruit only—includes United Kingdom, Norway, Denmark, Sweden, France, Holland, Belgium, and Germany.)

London: W. A. WILSON, Animal Products Trade Commissioner, Canada House, Trafalgar Square, S.W.1. *Cable address, Agrilson.*

Liverpool: ACTING TRADE COMMISSIONER, Martins Bank Building, Water Street. (Territory includes North of England, Lincolnshire, North Midlands, and North Wales.) *Cable address, Canadian.*

Bristol: E. L. McCOLL, Northcliffe House, Colston Avenue. (Territory includes West of England, South Wales, and South Midlands.) *Cable address, Canadian.*

Glasgow: G. B. JOHNSON, 200 St. Vincent Street. (Territory covers Scotland.) *Cable address, Cantracom.*

United States

D. S. COLE, British Empire Building, Rockefeller Center, New York City. (Territory includes Bermuda.) *Cable address, Cantracom.*

Note.—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.

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No. 1810



**SS. *Port Montreal* arriving at Melbourne, Australia,
with General Cargo from Canada**

Courtesy The Argus, Melbourne



ISSUED BY AUTHORITY OF
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE
JAMES G. PARMELEE, DEPUTY MINISTER

CONTENTS

	Page
Index to the "Commercial Intelligence Journal"	617
Trade Commissioners on Tour	617
Markets for Apples:	
Apple Markets in the United Kingdom and Continental Europe	618
Argentine Apple Market	629
Business Conditions in the North of England	631
Trade of the Bahamas in 1937	634
Tenders for Supplies for Government Hospitals in Western Australia	640
Indian Wheat Crop Forecast	640
Japan's Foreign Trade, January to June	640
Wheat and Flour Trade Regulation in Italy	648
Crop Reports for the Scandinavian Countries and Finland ..	652
Argentine Wheat Acreage, 1938	654
Exchange Conditions and Import Control in Ecuador	654
Business Conditions in Central America	655
Tariff Changes and Customs Regulations	656
Foreign Exchange Quotations	659
Trade Inquiries for Canadian Products	660
Proposed Sailings from Canadian Ports	660
Commercial Intelligence Service	663

100

No. 1810

The Index to the *Commercial Intelligence Journal* for the six months ended June 30, 1938 (Nos. 1770 to 1795 inclusive), is now in the hands of the printer and will be sent out shortly to subscribers. Canadian manufacturers and exporters are strongly advised to file all numbers of the *Commercial Intelligence Journal* for future reference, and to preserve them, with the Index, in bound volumes, or in some other convenient form. Back numbers of the Index, as well as additional copies, may be had free of charge on application to the Department of Trade and Commerce, Ottawa.

Mr. J. C. Macgillivray, Canadian Trade Commissioner at Berlin, Germany (whose territory includes Czechoslovakia and Poland); and Mr. J. L. Mutter, Canadian Trade Commissioner at Johannesburg, South Africa (whose territory includes the Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland), are visiting the principal industrial centres of Canada in the interest of Canadian trade with their respective territories. Their itineraries are as follows:—

St. John and Black's	
Harbour	Nov. 8
Toronto and Weston	Nov. 11 to 18
Kitchener	Nov. 21
London and Ingersoll	Nov. 22

Orillia, Gravenhurst and Huntsville	Nov. 4
Toronto and district	Nov. 7 to 19
Guelph	Nov. 21
Kitchener and district	Nov. 22 to 24
London and district	Nov. 25 and 26
Paris and Brantford	Nov. 28
Hamilton, Simcoe and Winona	Nov. 29 and 30

Firms who wish to be brought in touch with the Trade Commissioners should communicate: for Toronto, with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other centres, with the respective Board of Trade or Chamber of Commerce.

APPLE MARKETS IN THE UNITED KINGDOM AND CONTINENTAL EUROPE

United Kingdom

W. B. GORNALL, CANADIAN FRUIT TRADE COMMISSIONER

London, September 16, 1938.—The production of apples in the United Kingdom during the present season will be appreciably smaller than in 1937, when the crop was 35 per cent under the ten-year average of approximately 10,306,200 bushels.

A very early spring, two to three weeks ahead of normal, was an outstanding feature of the 1938 season, and after a small crop the previous year the trees produced a wealth of blossom seldom seen in the United Kingdom. The early spring, however, was followed by a series of severe frosts on seventeen nights in April and two nights in early May. As a result a very low total yield will be harvested.

The early varieties and the more important Bramley Seedling and Cox Orange will be generally light to very light with a fair yield in one or two of the smaller producing areas. The Worcester Pearmain, a fairly well-coloured variety available during September and the earlier part of October, promises the best yield. At the time of writing it is already occupying an important place on the market. The bulk of this variety will have passed into consumption early in October, after which the supply of English apples, mainly Bramley Seedling and Cox Orange, will be quite light.

The official crop report of the United Kingdom, issued on September 1, indicates that the yield of Bramley Seedling is expected to be from 10 to 20 per cent of a full crop in the principal producing districts. The Cox Orange is in a somewhat similar position, one area reporting almost total failure, three areas 10 to 15 per cent, five areas 20 to 30 per cent, and two areas 35 to 50 per cent of a full crop.

Present conditions are similar to those of 1935, when the fruit crops in the United Kingdom were an almost total failure with a low production of apples estimated at 3,779,000 bushels. This year the yield will be somewhat higher but dependable figures are not available.

DOMESTIC PRODUCTION

The estimated production of apples, exclusive of cider apples, in the United Kingdom during the ten-year period 1928-37 is shown in the following table:—

Year	Bushels	Year	Bushels
1928	7,749,000	1933	8,019,000
1929	17,107,000	1934	21,491,000
1930	10,517,000	1935	3,779,000
1931	4,197,000	1936	16,800,000
1932	6,707,000	1937	6,696,000

PROSPECTS FOR CANADIAN APPLES

Under the conditions outlined the prospects for Canadian apples in the United Kingdom are quite promising. However, a great deal depends upon the crop in the United States and the quantity available for export to the United Kingdom. The latest official reports indicate that the American crop as a whole is under average, particularly in Virginia, and thus as a competitive factor its influence on the market may not be of any serious nature.

The total supplies of fresh apples on the markets in the United Kingdom during the Canadian export season vary considerably from year to year and are greatly influenced by the production in the English counties. Between lower

production in the principal exporting states of the United States and the light yield in the United Kingdom, the total supply of fruit available on the market may be even smaller than last year, when supplies were the lowest for the last five years. In view of this situation and the added facts of light yields of other fruits in Great Britain and under-average crops of all fruits in European countries, the present apple season is likely to yield satisfactory price returns for well-packed fruit in good condition.

SUPPLIES DURING EXPORT SEASON

The estimated total supplies of fresh apples on the markets of the United Kingdom in the last five years during the Canadian export season (September to April inclusive) are shown in the following table:—

Source	Figures in 1,000 Bushels				
	1933-4	1934-5	1935-6	1936-7	1937-8
United Kingdom.. . . .	8,019	21,491	3,779	16,802	7,031
Canada	8,755	5,582	6,496	3,888	6,180
United States.. . . .	3,365	3,245	5,957	2,285	4,057
Total	20,139	30,318	15,232	22,975	17,268

FIRST CANADIAN SHIPMENTS

The 1938-39 export season has been initially opened by the arrival of a few small consignments from British Columbia, Ontario, and Nova Scotia, which sold at rather high prices, but the season proper started this week with a shipment of approximately 30,000 packages from Nova Scotia to Liverpool. The cargo created a favourable impression on the trade by its general good quality and appearance and an active demand has developed.

Last year the season commenced in Liverpool during the same week in September with a cargo of not quite the same size from Nova Scotia, but the more favourable conditions prevailing this year have resulted in market values being approximately 4s. 6d. per barrel higher than they were a year ago.

The export season has opened under very favourable circumstances and while it is almost inevitable that values will fall as supplies reach the United Kingdom in larger volume, it may be expected that a satisfactory season will be experienced.

France

J. P. MANION, ASSISTANT COMMERCIAL ATTACHÉ

Up to the end of May, both the Government and private authorities estimated that the table-apple crop in France would be about 28 per cent below normal, due to early frosts. As a consequence, the Department of Agriculture distributed large supplementary allotments of apples and oranges under the quota regulations, during the second quarter of 1938, and it was only when these fruits were about to be imported in July that it was realized that there was extensive domestic competition from other fruit. At present it is impossible to obtain an accurate forecast of the domestic apple crop. Estimates range from nearly average to much above normal.

It is probable that imported fruit will be off the market until November, as soon as domestic supplies are sufficient to meet the consumption requirements of Paris. As a result of recent experiences it is also probable that importers will buy sparingly for a considerable time, and that the market will be much restricted during the coming year, opening later than usual. Initial

orders can hardly be expected until November, and the tendency will be to buy from the cheapest sources.

TARIFFS AND QUOTAS

Canada's share of the total French apple quota is 3·3 per cent of the allotment during the last three months of the year and 4·7 per cent of the allotment during the first three months.

In past years, total quota allowed in the last quarter has been 16,000 metric tons, giving Canada 528 metric tons, while out of 22,000 metric tons in the first 3 months of the succeeding year Canada has obtained 1,034 tons. The new total quotas have not yet been announced, but in the event of change Canada would at least retain the same percentage of the market.

The tariff is 16 francs per quintal (of 220·4 pounds) gross weight, and there is also a licence tax of 16 francs per quintal.

PREFERENCES OF THE MARKET

France prefers apples in cases rather than in barrels. Barrelled apples generally have to be unpacked to be sold in small lots to the smaller retailers, and so lose part of their attractiveness for display purposes. The large sizes are not appreciated. Medium sizes are most acceptable, while the moderately small sizes sell fairly well. Generally it is preferable to state the proportions of each size offered when quoting.

Colour is important, red apples being favoured. Delicious are at a premium, with Winesaps and Newtowns acceptable. McIntosh Reds would not be acceptable without considerable publicity effort, and this year does not appear to be a favourable one for such an endeavour.

METHODS OF TRADE

It is preferable not to have an exclusive agent in France. Licences to import are as a rule not held by importers but by their clients, to whom orders had been consigned direct before the application of quotas and who, therefore, hold customs clearances showing that they are the real importers. As there is competition among importers each year to obtain and group these licences, the balance of each importer's trade may be changed from year to year, and an exporter with an exclusive arrangement may have no orders on hand.

Up to the present importers have been willing to open letters of credit payable upon shipment of the goods on an f.o.b. basis. It is usual for a Canadian or American firm to cable an offer and expect a firm counter-offer. First offerings should include all necessary data according to the following form:—

Offer firm 2,000 cases Delicious extra fancy wrapped Playboy brand: 50 per cent 138, 20 per cent 150, 20 per cent 175, 10 per cent 198, at 1·50 case f.o.b. _____; shipment possible Taranger December 13.

To save cost of duplicate or triplicate cablegrams, offerings may be addressed to the Office of the Canadian Commercial Attaché, 3 rue Scribe, Paris (cable address: Cancomac, Paris), who will transmit the offer to the two or three largest importers.

It is possible that French firms will counter-offer on the basis of a price slightly lower than market plus half of profit. Such offers should not be accepted unless definite advice to that effect is received from the Fruit Trade Commissioner in London acting in collaboration with the Canadian Commercial Attaché in Paris. Such advice will not be given unless the market situation warrants a departure from previous practice.

Belgium

MAURICE BÉLANGER, ASSISTANT TRADE COMMISSIONER

Early estimates of this year's apple crop in Belgium were very low and predicted an exceedingly short crop, due to lack of rain. The situation as regards all fruit other than apples and pears has not improved, and it is expected that the present season will be the most unfavourable in many years. At time of writing, however, it is reported by the Belgian Ministry of Agriculture that the condition of the apple and pear crops, especially the later varieties, is considerably better than previously expected and that the yields may finally prove to be only slightly lower than average. The quality and colour of the fruit are good and, due to the almost total failure of other varieties of fruit, it is expected that relatively high prices will be obtained for apples.

Prospects for the sale of North American apples in Belgium in the coming season are excellent, due to the shortage of local fruit and the fact that crops in most European countries are also below normal, so that competition from such sources as Switzerland, Great Britain, and Austria will be curtailed.

PACKING

The demand in Belgium is mostly for barrelled apples. According to sources of information in the trade, imports from the United States of apples in barrels or baskets represent about five times the amount imported in boxes. Bushel baskets are meeting with favour, as they are considered useful for display purposes in retail stores. The barrel pack with loose shredded waxed paper is preferred, since it affords greater protection to the fruit.

VARIETIES, GRADES AND SIZES

The varieties of Canadian barrelled apples preferred are Gano, Ben Davis, Baldwin and Nonpareil, and in seasons of short crop the Stark is acceptable. With respect to boxed apples, Jonathan, Winesap, and Newtown are the favourites, and McIntosh Red is likely to find favour.

No. 1 and Domestic grades in barrels and hampers, sizes $2\frac{1}{2}$ inches up and $2\frac{1}{4}$ inches to $2\frac{1}{2}$ inches, are preferred, and in boxed apples Extra Fancy and Fancy grades are wanted, sizes 130 to 188. Sizes 150 to 163 are also in demand.

IMPORTS

According to official statistics, total imports during the 1936-37 season (August 1, 1936, to July 31, 1937) were 34,412 metric tons (of 2,204 pounds)—9,410 tons from the United States, 144 tons from Canada, and 18,461 tons from the United Kingdom. The large total imported from the United Kingdom is due to important shipments of Bramleys in bulk, of which the English crop was very large in 1936. Total imports during the past season (July 1, 1937, to June 30, 1938) were 51,316 tons—21,282 tons from the United States, 1,066 tons from Canada, 13,088 tons from Holland, and 81 tons from the United Kingdom. The remainder was supplied by New Zealand, Australia, and Chile. Imports credited to Great Britain and Holland may, in some cases, include apples of United States, Canadian or Australian origin transhipped in these countries.

Prices during the greater part of the past season were unsatisfactory, due to the receipt of large consignments of United States apples, mostly York Imperials. Prices are expected to be better in the coming season.

TRADING PRACTICES

There are four or five large fruit importing firms in Belgium. Part of their supplies of apples are purchased on consignment, with or without cash advances,

the rest being bought on a cash basis. The apples are sold in Belgium both at public auctions held by the importers and by private agreement. The office of the Canadian Trade Commissioner at Brussels is in close touch with the trade, and will transmit to the importers any c.i.f. offers received from Canada or follow up on request any offers made direct to Belgian firms by Canadian shippers.

IMPORT TARIFF AND REGULATIONS

The duty on imported apples varies according to the shipping season and the weight of containers. The rates applicable, with equivalents in Canadian weights and currency (at present rate of exchange) are as follows:—

- I. When imported in containers of a gross weight:
 - A. Not exceeding 15 kilos (33 lbs.) per 100 kilos net weight 173 francs (\$2.62 per 100 lbs. net)
 - B. Between 15 and 20 kilos (33 to 44 lbs.):
 - (1) When imported between April 1 and Aug. 31 (per 100 kilos gross weight) 25 francs (\$0.38 per 100 lbs. gross)
 - (2) When imported between Sept. 1 and Mar. 31 (per 100 kilos net weight) 173 francs (\$2.62 per 100 lbs. net)
- II. When imported in bulk—per 100 kilos gross weight . . 10.40 francs (\$0.15 per 100 lbs. gross)
- III. When imported in containers weighing more than 20 kilos (44 lbs.):
 - A. Between April 1 and August 31—per 100 kilos gross weight 25 francs (\$0.38 per 100 lbs. gross)
 - B. Between September 1 and March 31—per 100 kilos, gross weight 28.75 francs (\$0.43 per 100 lbs. gross)

There are no restrictions on imports or payments, and no special documents are required.

Netherlands

JAMES A. LANGLEY, CANADIAN TRADE COMMISSIONER

(One metric ton equals 2,205 pounds; all conversions have been made at the rate of one florin equals 56 cents Canadian)

The Netherlands production of fresh apples is not sufficient in quantity or variety to meet the domestic demand. Consequently there are fairly large imports, which vary from year to year, depending on the extent and quality of the domestic crop. In the past foreign arrivals were also affected by conditions prevailing in other European countries, such as Germany and Poland, to which important quantities were re-exported. At the present time, due to high tariffs, import and payment restrictions imposed by various governments, the volume of re-exports has decreased considerably.

VOLUME AND SOURCES OF IMPORTS

While the per capita consumption of fresh apples in the Netherlands remains on a fairly high level, imports have dropped from 24,264 metric tons in 1932 to 15,213 metric tons in 1937. Last year the domestic apple crop was good and as a result imports were smaller.

The following table gives quantities and values of apple imports from principal supplying countries for 1936, 1937, and the first six months of 1938:

	1936		1937		Jan.-June, 1938	
	M. Tons	1,000 Fl.	M. Tons	1,000 Fl.	M. Tons	1,000 Fl.
Total	19,115	1,998	15,213	2,027	12,826	1,536
Belgium	485	35	554	35	.....	.....
United Kingdom	726	56	1,699	115	.....	.....
Italy	26	3	43	4	.....	.....
Canada	42	4	1,762	136	.....	.....
Argentina . . . . .	.....	.....	223	43	.....	.....
United States	15,552	1,631	8,963	1,373	11,446	1,327
Australia	1,724	206	1,472	245	646	103
New Zealand	477	54	464	69	430	67

It will be seen from this table that the United States is by far the principal supplier. Canadian apples are only of interest to the Netherlands when the domestic crop is small and if they are competitive in price. The United Kingdom is credited with apples originating in British Empire countries and also from the United States, which were transhipped via or warehoused in United Kingdom ports.

New crop American apples usually begin to put in an appearance in September and continue until April and the beginning of May. Australian and New Zealand apples arrive in the spring and early summer and those from Argentina usually in April. Arrivals from the latter country have never been large and for some years they were not sold at all in Holland. Last year a small quantity entered again. Although the quality of Argentine apples is considered very good, prices are too high to make any important business possible.

The demand for foreign apples is at its height during the autumn and winter and decreases in the spring as soft fruits and fresh vegetables become available. Home grown apples are abundant during the last quarter of the year.

VARIETIES AND SIZES IN DEMAND

Fresh apples with a bright colour are preferred by the Netherlands consumer. For this reason Winesaps from the United States are popular. Jonathans are also well liked, while other varieties of apples regularly sold in the Netherlands are the Newtown, Ortley, Rome, Gano, and Ben Davis.

Previously the demand was for large sized apples. During the last few years, however, as a result of higher import duties and the monopoly tax—to which special reference is made in this report—small apples have been preferred. For boxed apples the sizes desired are 163's and 216's, and for barrelled apples $2\frac{1}{4}$ to $2\frac{1}{2}$ inches, anything below $2\frac{1}{4}$ inches being too small. Apples packed in boxes are preferred to those put up in barrels.

TRADE PRACTICES

There are two methods of marketing fresh apples in the Netherlands. The first is by sending consignments to be sold at auction and the second by means of firm sales direct to importers or through the medium of commission agents. The bulk of the business is done by the former method, although during the last few years there has been a steady increase in the number of transactions on a direct c.i.f. basis.

As regards the auctions, the selling organizations are prepared to grant the shipper a certain advance but some time must elapse before he receives the total proceeds. With a strong or rising market consignment shipments have a number of points in their favour. There is inevitably an element of risk, however. Consequently most Canadian exporters usually attach to the shipping documents a draft which is put through for payment upon presentation against the surrender of the bills of lading.

IMPORT DUTIES AND RESTRICTIONS

Fresh apples, irrespective of origin, pay an import duty of 13 per cent ad valorem on the c.i.f. value. On June 16, 1938, a bill cancelling the turnover tax of 4 per cent on the duty-paid value of apples and other fruits was passed by the Lower House of the Netherlands Parliament and becomes effective on October 1.

In addition, effective August 18, 1933, the importation of fresh fruit, including apples, was placed under so-called monopoly control, under which buyers are required to obtain special import permits. A monopoly tax of fl.4 (approximately \$2.24) per 220 pounds gross weight was levied as from December 2, 1933. This levy was reduced to fl.2 (\$1.12) per 220 pounds during the period

from March 1, 1936, to June 30, 1936, from February 1, 1937, to June 30, 1937, and from March 1, 1938, to June 30, 1938. This reduction applied to fresh apples from countries enjoying most-favoured-nation treatment, including the United States and Canada. It was specified that, during each of the above mentioned periods, the quantity admitted at the lower tax should not exceed the volume of fresh apples produced in and exported by each of the countries in question to the Netherlands in 1934. During this latter year imports of Canadian apples weighed 2,667,962 pounds.

PROSPECTS FOR CANADIAN APPLES

As already observed, Canadian apples are only of interest to Netherlands consumers when the domestic crop is small. Due to a rather poor domestic crop in 1936, imports from Canada were fairly extensive in 1937. According to the trade the Nonpareil variety is well liked here.

From information supplied by the Netherlands Department of Agriculture, the average position of the domestic apple crop on June 30, 1938, was as follows: Golden Reinettes, poor; Bellefleurs, poor; Star apples, moderate; other varieties vary from moderate to poor. On the whole, the yield is expected to be much smaller than last year.

At present it is difficult to give any definite information as to prospects for the forthcoming season, as these depend on the final domestic production. Nevertheless, if prices and quality of Canadian apples are competitive, a fair amount of business may be done.

Denmark

RICHARD GREW, CANADIAN TRADE COMMISSIONER

Until May 31, 1938, the importation of fresh apples into Denmark was restricted by the necessity of securing an import licence. The system of import licensing, which has been in effect for the past seven years, was one of the methods adopted to protect Denmark's limited amount of foreign exchange funds. Fresh apples were one of numerous commodities for which permits were required. On the date mentioned, fresh apples were placed on the free list, but this change was only in force until August 1, when fresh apples were transferred back to the restricted list. Figures are not available to show whether imports increased during the time the restrictions were lifted, but it is not believed that any noticeable change would take place except, possibly, for supplies from Australia. By the end of May stocks both in Canada and the United States would have been nearly depleted, and it is unlikely that shippers in either country were in a position to take advantage of the freer trade.

IMPORTS

As a result of the trade restrictions, the importation of fresh apples into Denmark has declined to a comparatively small business. This is shown in the following table, which gives the quantity of fresh apples imported into Denmark during the past four years. The countries of supply are not yet available for the year 1937, but it will be seen that total imports for the last year were considerably smaller even than for the year 1936.

	1934	1935	1936	1937
	Figures in Metric Tons			
Total	4,890.7	1,326.8	568.8	371.0
Germany	439.9	61.2	0.4	.....
Great Britain	878.0	51.9	3.6	.....
Soviet Russia	36.8	136.4	104.4	.....
Canada	209.0	46.0	.....	.....
United States	2,532.9	857.9	98.0	.....
Australia	779.0	171.2	272.5	.....
South Africa . . . . .	.....	.....	80.2	.....

EFFECT OF IMPORT LICENCES

One of the main aims of the import licensing system is to direct the import trade of Denmark towards those countries with which Denmark has a favourable balance of trade, and particularly towards the United Kingdom and Germany, the former being Denmark's best customer. Besides directing the import trade, the import licensing system has had the effect of protecting various Danish industries and has given considerable impetus to the development of domestic apple orchards.

The balance of trade between Canada and Denmark has been very much against Denmark, mainly due to the fact that Denmark requires considerable quantities of grain and feeding stuffs and Canada has been one of the main sources of supply. On account of this unfavourable balance of trade, as well as for the protection of various Danish industries, import permits for other kinds of Canadian products have been greatly reduced or completely stopped. No import permits for fresh apples have been issued for Canadian varieties for the past five years, and it appears as though it will be impossible to secure such licences in the immediate future. Of course, this applies also to other countries, as the figures in the table of imports indicate. It appears that Denmark is producing nearly sufficient quantities to cover domestic consumption and in a comparatively short time will be entirely self-sufficient.

CUSTOMS DUTIES

The duty on fresh apples entering Denmark is only 5 öre per kilogram (about half a cent per pound in Canadian currency). Without the import licensing system, the customs tariff would not likely be sufficient protection for the domestic growers against larger apple-exporting countries. Should the licensing system be abolished, a higher customs tariff would likely be imposed or other measures taken to protect the Danish apple producers.

Norway

RICHARD GREW, CANADIAN TRADE COMMISSIONER

In the past the market for fresh apples in Norway has been supplied mainly from the United States. In recent years supplies from Australia have shown a large increase and in 1937 formed slightly more than a third of the total imports as compared with slightly more than 10 per cent in 1934. At one time Canadian apples were sold in considerable quantity but recently imports from Canada have been negligible. Canadian apples are known and appreciated and could be sold in Norway if supplies were available at competitive prices. The most popular varieties of American apples are Jonathan, Newtown, and Winesap. The first-named is possibly the most popular, but owing to its poorer keeping qualities the imports are not so large as for the other varieties.

During the 1938 season the production of apples in Norway has been affected seriously by adverse weather conditions in the spring and early summer, and the latest estimate available gives the production as 50 per cent of an average year. In 1937 production was 24,000 metric tons as compared with an average crop of 22,000 tons. It is expected that the demand for imported apples will be much greater than usual this year.

IMPORTS

The following table shows the quantities of fresh apples and pears imported into Norway during the past four years, by chief supplying countries. Norwegian statistics do not differentiate the two kinds of fruit so far as country of

origin is concerned. Of the total quantities given, pears accounted for 236 tons in 1934, 259.5 tons in 1935, 211.7 tons in 1936, and 323 tons in 1937.

	1934	1935	1936	1937
	Figures in Metric Tons			
Total	2,498.1	2,679.2	2,275.2	2,862.7
Great Britain and N. Ireland..	159.8	5.9	4.2	8.0
Germany	310.2	.....	.....	.....
South Africa	11.4	104.1	41.1	71.7
United States	1,564.4	1,837.8	1,413.9	1,705.5
Canada . . . . .	.....	8.5	.....	7.3
Argentina . . . . .	.....	.....	47.2	34.2
Chile	23.5	.....	.....	.....
Australia	273.3	687.2	742.8	986.9

Imports have remained fairly stable during the four-year period, the United States and Australia supplying over 94 per cent of the total. Australian apples do not compete with American varieties, as they appear on the market after the bulk of the American stocks have been consumed.

DOMESTIC PRODUCTION

Domestic production of apples has varied considerably during the past four years. It amounted to 12,154 metric tons in 1934, 29,945 tons in 1935, 15,445 tons in 1936, and 24,000 tons in 1937.

The average production for these four years was slightly over 20,000 tons, but, as the long-term average is considered to be 22,000 tons, in the years previous to 1934 the crops must have been generally good.

For the most part, Norwegian apples do not possess good keeping qualities, and the bulk of the supplies have disappeared by the first part of the year.

CUSTOMS DUTIES

From August 1 to March 15 inclusive, the duty on fresh apples entering Norway is 0.72 krone per kilogram, at the present rate of exchange equal to approximately 8 cents per pound. From March 16 to July 31 inclusive, the duty is reduced to 0.36 krone per kilogram, or about 4 cents per pound. In special cases the Customs Department may apply the lower rate of duty at an earlier date, which depends upon the supply from the domestic crop. For the 1937-38 season the lower duty came into effect on February 13, due to the above reason.

SIZES

For the most part, United States exporters ship in boxes of 20 kilos and in sizes 125 to 175. This is the method preferred in Norway. In previous shipments of Canadian apples the sizes had been smaller, ranging from 150 to 200, and sometimes 260. The smaller-sized apples are not as well liked, and for that reason are more difficult to sell.

TRADE PRACTICES AND PRICES

Apple exporters and shippers appoint an agent who is only permitted to sell to members of the importers' or wholesalers' association. The latter in turn canvass the retail trade. There are two firms in Oslo which carry on both a wholesale and retail business, and agents are permitted to sell direct to them. In all other cases the agent must sell to the wholesaler. The prices quoted by the exporter or shipper include a commission to the agent, which is generally 5 per cent.

Recent quotations for Pacific Coast apples have been as follows:—

Extra Fancy in boxes, 175 to 216: Winesap, \$1.10; Jonathan, \$1.05; Newtown, \$1.55.

Extra Fancy in barrels, 2 $\frac{1}{4}$ to 2 $\frac{1}{2}$ inches: Winesap, \$4.10; Ben Davis, \$3; York Imperial, \$3.25; Albemarle, \$4.50.

These prices are f.a.s. Pacific Coast ports and include broker's commission.

Sweden

RICHARD GREW, CANADIAN TRADE COMMISSIONER

No figures are available to show the production of apples in Sweden, but an average crop is comparatively large. At the same time, Sweden is the most important market of any of the Scandinavian countries for imported apples. This is due partly to the larger population in Sweden, and partly to the fact that Swedish apples do not keep well, making it necessary to augment the domestic supplies with varieties that will maintain their flavour and appearance for a longer period.

It is expected that there will be a somewhat greater demand for imported apples this season owing to the fact that the domestic crop is somewhat below average. This is particularly true for early winter apples, the latest crop estimate available rating the crop as poor. Other varieties will also be below average, but somewhat better than the early winter strains.

Canadian apples are well and favourably known on the Swedish market, particularly the boxed varieties, for which a slightly higher price can be obtained than for similar American apples. They will usually bring a premium of 15 to 25 cents per box owing to the fact that Canadian apples are considered to possess better keeping qualities. On the other hand, the Canadian types of barrelled apples are not as highly appreciated as American varieties because the colouring is not as well liked.

IMPORTS

The following table shows the quantity of fresh apples imported into Sweden during the past four years by principal supplying countries:—

	1934	1935	1936	1937
	Figures in Metric Tons			
Total.. . . .	12,012.7	12,865.4	13,870.2	13,266.2
Denmark	247.1	191.5	.....	.....
Soviet Russia	55.8	73.8	17.5	.....
Germany	564.9	69.1	.....	.....
Netherlands.. . . .	19.3	16.4	.....	7.4
Great Britain	323.9	717.7	.....	.....
Italy	284.0	241.5	88.6	457.8
British South Africa.. . . .	381.6	440.7	650.2	204.7
British North America.. . . .	136.8	86.3	10.0	66.5
United States	7,394.3	7,996.9	7,918.7	6,970.4
Argentina .. . . .	.....	33.3	579.3	704.5
Chile	47.1	.....	.....	82.4
Australia	2,451.2	2,742.0	4,061.1	4,249.9
New Zealand	50.1	205.8	521.6	480.4

It will be noted that imports have remained fairly steady during the four-year period, the United States and Australia being the leading sources of supply. Imports from the United States have remained comparatively constant, while Australian exports have shown a steady increase. Apples from Australia do not compete to any extent with American varieties as supplies do not appear on the market until stocks of American apples have been fairly well exhausted.

CUSTOMS DUTY

The duty on fresh apples entering Sweden is 10 kronor per 100 kilos (or approximately \$1.13 Canadian per 100 pounds at the present rate of exchange) from January to June 30 inclusive, and 20 kronor per 100 kilos (or approximately \$2.25 Canadian per 100 pounds) from July 1 to December 31. As a result of the high rate of duty during the second half of each year, imports are practically negligible, and the bulk of the domestic crop is consumed during that period.

GRADES AND SIZES

The most popular Canadian apples shipped in boxes are Jonathan, McIntosh, Winesap and Newtown, the sizes for the first three mentioned varieties being

175 to 216, while for Newtown the size is 150 to 200. The quality is either Extra Fancy or Fancy. For barrelled apples the most popular varieties are York Imperial, Ben Davis, Winesap, Albermarle and, possibly, some Jonathans of No. 1 quality. Sizes are $2\frac{1}{4}$ to $2\frac{1}{2}$ inches or $2\frac{1}{4}$ to $2\frac{3}{4}$ inches.

PRICES AND TERMS

For the Swedish market, the usual terms are letter of credit at sight or 90 days, the former being generally more common. Importers claim that cash against document terms would facilitate business, but such terms are not frequently granted. Offers are always quoted f.o.b. Atlantic or Pacific ports.

The following prices have recently been offered for barrelled apples from Virginia: York, $2\frac{1}{4}$ to $2\frac{1}{2}$ inches \$3.35 to \$3.65, $2\frac{1}{4}$ to $2\frac{3}{4}$ inches \$3.15 to \$3.45; Ben Davis, $2\frac{1}{4}$ to $2\frac{3}{4}$ inches \$3 to \$3.40; Winesap, $2\frac{1}{4}$ to $2\frac{1}{2}$ inches \$4.10 to \$4.30. These prices are f.o.b. New York for shipment during October.

For boxed apples, prices are as follows: Jonathan, 175 to 216, Extra Fancy \$1.10, Fancy \$1; Winesap, 175 to 216, Extra Fancy \$1.25, Fancy \$1.10; Oregon Ortley, 138 to 216, Extra Fancy \$1.45, Fancy \$1.30; Oregon Newtown, 150 to 216, Extra Fancy \$1.35, Fancy \$1.20.

These quotations are per box f.a.s. Pacific Coast ports. Very little business is being done in boxed Winesaps at these prices as buyers consider that prices will be reduced.

Finland

RICHARD GREW, CANADIAN TRADE COMMISSIONER

Supplies of fresh apples for the Finnish market are obtained for the most part in the United States, imports from that country forming between 50 and 65 per cent of the total trade during the past four years. According to Finnish trade returns, Canadian apples have not been imported during this period, although it is possible that small quantities may have reached Finland through transshipment at other ports.

IMPORTS

The quantities of fresh apples imported into Finland during the past four years by chief supplying countries are as follows:—

	1934	1935	1936	1937
		Figures in	Metric Tons	
Total	2,398.0	2,017.9	3,315.2	5,311.4
Soviet Russia	87.4	184.8	.....	.....
Esthonia	543.2	117.1	369.1	428.1
Sweden	34.0	137.1	143.2	242.7
Denmark	40.3	27.2	16.3	.....
Germany	267.3	29.9	87.9	289.4
Netherlands	36.5	.....	28.7	94.2
Great Britain	152.7	235.1	136.6	254.1
United States	1,127.9	1,119.2	2,132.9	3,441.7
Australia	71.5	147.7	345.0	468.2

Apart from the preponderant supplies from the United States, it may be noted that Australia is becoming an increasingly important source of supply. Generally speaking, Australian apples do not appear on the market until stocks of American varieties have been practically finished.

CUSTOMS DUTIES AND REGULATIONS

There are two rates of duty on fresh apples entering Finland, a general rate of 6 Finnish marks per kilogram the year round and a treaty rate of 1.50 Finnish marks per kilogram from December 15 to June 15 inclusive and of 6 Finnish marks (the same as the general rate) from June 16 to December 14 inclusive.

The treaty rate applies to all countries, including Canada, with which Finland has a most-favoured-nation agreement. Converted to Canadian currency, the treaty rate of 1.50 Finnish marks per kilogram is equal to approximately 3¼ cents per kilogram of 2.2 pounds.

The trade in fresh apples to Finland is not restricted by import licences or quota arrangements, nor is a certificate of origin required. During the period August to December 15, however, cases of fresh apples entering Finland must be marked with the name of the country of origin. This marking may be made by branding, stamping, printing, or painting on each barrel or box in letters at least two centimetres in height.

PRICES AND TERMS

United States apples have recently been sold on the Finnish market at the following prices:—

Boxed Apples.—Winesap and Jonathan, 198 to 216, Extra Fancy \$1.15, Fancy \$1.05; 234 to 252, Extra Fancy \$1, Fancy \$0.90. These prices are f.a.s. Seattle, October shipment, and include a commission of 10 cents a box. They are for best packs from well-known packers. November shipments are 5 cents per box higher.

Barrelled Apples.—Winesap, 2 to 2¼ inches \$4.05, 2¼ to 2½ inches \$4.30; Gano, 2¼ to 2¾ inches \$3.50; York, 2¼ to 2¾ inches \$3.50; Ben Davis, 2¼ to 2¾ inches \$3.15. These prices are f.a.s. New York or Baltimore for shipment October to early November and include a commission of 25 cents per barrel to the broker.

VARIETIES AND SIZES

It is estimated that about 80 per cent of the American supplies are shipped from the Pacific Coast, the most popular varieties being Winesap, Jonathan, and Newtown. Sizes vary from 175 to 216 to 234 to 252. Eastern apples are generally shipped in barrels, and the best-known varieties are Winesap, York, and Ben Davis. The sizes for the barrel apples are 2 inches to 2½ inches. For the most part, a red coloured apple is preferred.

ARGENTINE APPLE MARKET

J. A. STRONG, CANADIAN TRADE COMMISSIONER

Buenos Aires, September 20, 1938.—Argentina produces practically every class of fruit from olives, lemons, and oranges, to apples and pears. The banana is the only fruit which is not produced in almost sufficient quantity to meet domestic requirements. There has been an enormous increase in the production of all classes of fruit during the last ten years. The improvement in quality as well as the quantity available at lower prices is having a marked effect on the dietary habits of the population. The people of Argentina have always been heavy meat eaters and fruit was definitely in the luxury class in former years.

The increase in the production of apples and pears in Argentina has been due largely to the development by one of the English-owned railways of a new producing zone in the Rio Negro river valley in Southern Argentina. This zone is under irrigation and is at 39 degrees south latitude. It contributed 78 and 85 per cent respectively of the total Argentine exports of apples and pears last season.

FRUIT EXPORTS

Argentina exported 2,040,783 packages of fruit in 1937 as compared with 1,822,675 packages in 1936. The figure for 1937 included 982,189 boxes of

grapes, 658,144 of pears, 281,801 of apples, 52,928 of peaches, 24,516 of plums, and 21,814 boxes of grapefruit. Exports of apples rose from 76,929 boxes in 1935 to 281,801 boxes in 1937 but fell off to 198,176 boxes this season due to crop damage. Brazil, Sweden, Germany, France, Italy, and the United Kingdom were the principal markets this year. Argentine exports of pears have risen steadily from 238,088 boxes in 1935 to 921,263 boxes this season. The Argentine export season for pears and apples begins in February and finishes in July or August.

Argentina is already beginning to have a problem arising from over-production in the fruit-growing industry. It is due to over-production of certain classes and varieties rather than over-production by the industry as a whole. The Argentine Government have just projected a new fruit law designed to curb, through a program of education, the over-planting of unsuitable varieties or varieties difficult to market, to improve storage facilities, grading and care of orchards, and to foster growers' co-operative organizations.

IMPORTS OF APPLES

Argentina imported 68,486 cwt. gross weight of apples during the 1937-38 season as compared with 54,736 cwt. in 1936-37. The increase was largely due to the generally improved business situation here last fall. The imports of apples last season included 14,915 barrels and 53,384 boxes credited to the United States, 14,360 boxes to Canada, 47,688 boxes to New Zealand, and approximately 100 boxes to Chile.

The first shipment of American barrelled apples last season arrived on October 9 and the first lot of boxed apples on October 27, via New York. The last small lot of boxed apples reached Buenos Aires on January 25, 1938. Of the total of 67,754 boxes of North American apples arriving during the past season, 43,092 boxes came in one full cargo lot direct out of Seattle together with 6,999 boxes of pears. This cargo shipment, which is arranged each year for one consignee, arrived in Buenos Aires on November 29, timed for the Christmas trade here. (This cargo shipment amounted to 43,092 boxes in 1936 and 59,724 boxes in 1935.) A further 6,792 boxes came direct on a regular line steamer from Seattle and Vancouver and the remaining 17,870 boxes in small lots weekly or fortnightly via New York.

New Zealand placed 56,487 boxes of apples in this market in 1933. The trade dropped to 6,225 boxes in 1935 and there were no arrivals from New Zealand during 1936 and 1937. However, 47,686 boxes arrived from New Zealand in May of this year at the height of the season for the Argentine domestic crop.

DOMESTIC SUPPLIES

On September 30, 1937, there were 189,478 boxes of Argentine apples still in storage in Buenos Aires as compared with 246,600 boxes at the same date in 1936. The early crop of Argentine apples comes on the local market in December and the main crop of North American varieties is available late in January. Consequently the imported apples are largely for the Christmas trade. In 1930 the United States alone placed 211,516 boxes and 157,332 barrels of apples in Argentina. This represented the peak year in the import trade here. Since 1930 import duties have been increased, but the principal reason for the decline in imports has been the greatly increased domestic production of all classes of fruits in Argentina. There are now available from some part of the country one or more of oranges, grapefruit, peaches, pears, and apples during almost every month of the year, so the demand for apples in the off-season has tended to decrease each year. Still there should always be a limited market for imported apples in Argentina.

IMPORT DUTIES

There have been no changes in the import duties or regulations during the past year. All North American apples must arrive in chilled storage and apples in boxes must be wrapped separately in waterproof paper printed with the name of the grower, packer or shipper, and country of origin. All apples in barrels, except from the United States, must be wrapped separately. A consular invoice, bill of lading, insurance certificate covering all risks including refrigeration, certificate of origin, and health and inspection certificate visé by the Argentine consul at port of shipment must be provided. There are no duty or exchange preferences that affect the competitive position of Canadian shippers.

DEMAND AND OUTLOOK

The demand in Argentina is for the Delicious variety in boxed apples. There used to be some call for Jonathans, Rome Beauty, and King Davids but the demand for these varieties is now almost negligible. The sizes run from 72 to 150. There should be an outlet for approximately the same quantity of apples here this season as last year.

BUSINESS CONDITIONS IN THE NORTH OF ENGLAND

BLAIR BIRKETT, ACTING TRADE COMMISSIONER

Liverpool, September 19, 1938.—Industry in the North of England still continues in a depressed condition. Although there have been intermittent signs of improvement in one or two sections during the summer months, there is no evidence to encourage hope of an early recovery. It may be said, however, that business has ceased to contract in the way it was doing during the last quarter of 1937 and the first four or five months of 1938, and that the downward curve in trade is flattening out. The maintenance of building and public works contracts at a high level, combined with government rearmament work, is held by more than one authority to explain the relatively mild decline in general business activity.

MAIN FACTORS

Among the leading industries in the North of England those of iron and steel and cotton are causing some concern. The former is in a state of over-production and there is uncertainty as to future prices. The latter is in a depressed condition owing largely to the low level of raw material prices and lack of sufficient orders for finished goods. There has been some improvement in orders for coal, but export business in coal is far from satisfactory. Engineering firms are dependent to a large extent on rearmament orders and are relatively quiet.

Perhaps the most disturbing feature is the shrinkage in overseas trade. The August returns reveal substantial reductions in values of imports and exports. They show a drop in total exports of manufactured goods in excess of £5,000,000 for August as compared with August, 1937. Cotton manufactures accounted for over £2,000,000 or approximately two-fifths of the total decline, iron and steel manufactures for £928,000, and wool and worsteds for £844,000. A worthwhile improvement, however, occurred in machinery, where exports were up by £598,000.

On the import side there was a falling-off in receipts of raw materials, which is not a favourable indication of future manufacturing activity. Smaller purchases of iron and non-ferrous ores, hides and skins, raw wool, and timber were largely responsible for a total reduction of £6,384,000. Timber accounted for

£2,612,000 of this decline. The effect of lower timber imports and of reduced imports of other commodities is to be seen in Canadian shipments to Liverpool and other northern ports.

The August unemployment returns were slightly better than those for July. In the North this improvement is attributed largely to the usual autumn increase in demand for domestic coal and to greater activity in the building industry. On the other hand, there were decreases in the numbers of persons employed in the cotton, textile, pottery, and iron and steel industries. Compared with August, 1937, the cotton industry shows 76,630 more workless and the others mentioned about 30,000 each.

COTTON

There are still no signs of improvement in the cotton trade; in fact, the situation has become worse during the past month. During July slightly better conditions became apparent but they were short-lived. As with other industries, the trade in cotton has been affected by the international situation and values have taken a downward trend. An important influence has been the disappointment in the Liverpool and Manchester markets at the unexpectedly large estimate of the United States crop. Along with the dull demand for raw cotton from the spinners and unsatisfactory crop reports from Egypt, the American crop outlook has had a depressing effect.

Business in cotton cloth and yarn remains very quiet. Orders are few, and those obtained are small and only for immediate requirements. Piece-goods for export are in no better demand, though purchases for the home market are providing modest support.

IRON AND STEEL

In spite of continued restriction of output in the iron and steel industry, production is still out of line with consumption and it seems that further restriction may be necessary. On the northeast coast there are now only nineteen blast furnaces in full operation compared with thirty-six at the beginning of the year. While the production of pig-iron has been considerably reduced, fair stocks are still on hand and they are not being liquidated rapidly. Many consumers of foundry iron still possess foreign stocks imported last year. Shipyard requirements are at a low level, though structural steel is in steady demand, and there is a modest business in rails being done for orders abroad. Export trade generally, however, is very quiet. From Sheffield comes the report of a better feeling, but it has not yet translated itself into actual business. The opinion is held by a few authorities that some improvement in the iron and steel trade may be looked for in two or three months' time when the accumulated stocks of pig iron and finished material have been effectively reduced.

COAL

As usual at this time of the year, the demand for domestic coals is brisk, and will continue so for some time. The demand for industrial grades, however, remains dull. Many collieries supplying this type of coal are on short time. The export market has been particularly disappointing, though a slight improvement has occurred of late in orders for forward shipment. The general state of the export market can be judged from the fact that shipments from Newcastle-on-Tyne for the seven months to July 31, amounting to 7,358,000 tons, were more than half a million tons less than for the corresponding period of last year. Those from Sunderland were about 2,568,000 tons, a drop of 186,000 tons from the previous year. Reports from Hull and other centres reveal similar curtailment.

WOOL

With values firmly maintained throughout the summer season and only slightly reduced since the opening of the Australian market this month, the wool and worsted trades continue in a quiet but fairly steady fashion. Exports are still of a small order but encouraging inquiries are being received. Little or no change is reported in machinery activity and many looms are still idle.

ENGINEERING

Those sections of this industry whose output is mainly for rearmament purposes are very active, but others show some further decline. In the Sheffield area firms engaged in general engineering are fairly well employed and have many important contracts in hand to keep them busy for some time to come. New business, however, is slow. In the tool trades business has shown a falling off in the past month and orders on the books are running low. The hack-saw section is active but the file trade is decidedly quiet. Manufacturers of small and precision tools are meeting a small but steady demand. In the Leeds area the situation is generally quiet, though the majority of firms in heavy engineering report fairly good business. Orders for textile machines are coming forward very slowly.

RAYON

There has been a slight improvement in this market after the quiet conditions experienced during the summer months, but the general position is still regarded as far from satisfactory. More favourable weather conditions of late have produced a better demand from the home trade for the various dress materials and specialties. But stocks of these materials are still heavy, as many dealers have had a disappointing summer season. In the export branch the main support has come from Empire markets, with the possible exception of India, where business has been poor.

LACE

Reports from Nottingham and district state that business in the fancy lace and plain net sections is still of a small order. There are grounds for hope in these lines, however, during the autumn season. As with rayon goods, the main export support is from the Dominions. The domestic and overseas demand for cotton and rayon curtains has proved disappointing.

BUILDING

One industry that has withstood the influence of the present trade depression remarkably well is that of building. In the north there are no signs yet of any serious slackening in the high level of activity maintained for the last year or two. While it may be that the peak has been passed, it is not believed any appreciable change in trend will be felt in the immediate future. Contracts for municipal work and government programs are providing a good volume of work. The building plans passed by these authorities in July of this year, for example, represent only a very slight reduction from those for July, 1937. The housing section has actually shown an increase in the contracts placed. This increase, however, is not expected to be maintained.

SHIPBUILDING

Activity on the northeast coast and in the Merseyside dockyards has fallen off since June. Few new orders are being received. No worthwhile revival in business is looked for until the costs of materials are reduced to more economic levels. Naval work is providing a much-needed support during this slack period. Ship-repairing firms are fairly well occupied.

TRADE OF THE BAHAMAS IN 1937

F. W. FRASER, CANADIAN TRADE COMMISSIONER

Kingston, Jamaica, August 22, 1938.—An increase in the foreign trade of the Bahamas as compared with recent years is shown in the report of the Comptroller of Customs for 1937. Total imports during that year, including bullion and specie and parcels post, were valued at £1,219,353 as compared with £967,240 in 1936 and £723,762 in 1935. For the same period the value of total exports of domestic produce was £164,857 as compared with £123,541 in 1936 and £112,837 in 1935. Re-exports—i.e., exports other than domestic—were valued at £130,219 in 1937 (of which £83,440 consisted of bullion and specie), £18,563 in 1936, and £12,451 in 1935.

The principal contributing factor to the larger import trade was the continuation of house building on a large scale, resulting in heavier importation of building materials such as lumber, cement, and builders' hardware, as well as furniture and house furnishings generally. The tourist trade, which reached an all-time peak during the 1936-37 season, suffered a decline during the 1937-38 period as compared with the previous year, with a resulting adverse effect on the sales of Nassau merchants, most of whom had bought heavily, particularly in dry goods lines, in anticipation of a good year. Buying for next season is therefore on a much reduced scale. According to figures compiled by the Public Works Department, building permits issued in 1937 for Nassau were practically double those for 1936, amounting to about £200,000. It is estimated that they will not exceed £125,000 in 1938.

Imports from Canada into the Bahamas in 1937 showed a satisfactory increase over 1936, being valued at £154,151 as against £130,231. Exports of domestic produce to Canada dropped from £33,817 in 1936 to £24,273 in 1937. This decline was due to smaller shipments of tomatoes, resulting from a more rigid system of inspection initiated by the Government last year.

IMPORTS

The trend of the Bahamas import trade over the past five years is shown in the following table:—

From	1933	1934	1935	1936	1937
Canada—					
Value	£261,558	£135,100	£ 98,949	£130,231	£ 154,151
Per cent	28.1	18.5	13.7	13.5	12.6
United Kingdom—					
Value	251,294	182,531	169,866	238,084	272,731
Per cent	27.1	25.0	23.4	24.6	22.3
United States—					
Value	259,935	267,773	317,612	415,161	556,239
Per cent	27.9	36.7	43.9	42.9	45.6
Other countries—					
Value	156,944	142,895	137,335	183,764	236,232
Per cent	16.9	19.8	19.0	19.0	19.5
Total—					
Value	£929,731	£728,299	£723,762	£967,240	£1,219,353
Per cent	100.0	100.0	100.0	100.0	100.0
Less liquor imports..	365,500	169,157	64,972	65,661	45,778
Net value	£564,231	£559,142	£658,790	£901,579	£1,173,575

Excluding liquor imports, which during the prohibition era in the United States reached large proportions but which have since receded to what may be regarded as the country's normal requirements for domestic consumption, the import trade during the past five years was as follows:—

From	1933	1934	1935	1936	1937
Canada—					
Value	£ 88,121	£ 75,430	£ 80,663	£124,201	£ 152,333
Per cent	15.6	13.5	12.2	13.8	13.0
United Kingdom—					
Value	129,687	118,738	145,725	206,191	255,512
Per cent	23.0	21.2	22.1	22.9	21.7
United States—					
Value	259,188	267,232	317,414	413,958	554,676
Per cent	44.9	47.9	48.3	45.9	47.7
Other countries—					
Value	87,235	97,742	114,988	157,229	211,054
Per cent	15.5	17.4	17.4	17.4	18.0
Total—					
Value	£564,231	£559,142	£658,790	£901,579	£1,173,575
Per cent	100.0	100.0	100.0	100.0	100.0

As shown by the foregoing tables, imports into the Bahamas are chiefly from the United States, and that country is also the largest buyer of domestic produce from the Bahamas. The Canada-West Indies Trade Agreement has had little effect on diverting the trade of this colony into Empire channels, due to the proximity of these islands to the United States and to the regular and frequent steamship services connecting the two countries. In addition to the regular shipping services provided from New York, there are five motor-driven vessels (and a new one just launched) averaging about 100 tons net registered tonnage which ply between Nassau and Florida ports, carrying freight and passengers. These boats are all owned by Nassau merchants, and a considerable share of the package goods trade enters Nassau by way of Miami or Jacksonville. A further advantage to the merchants is that they can buy in smaller quantities and get delivery practically overnight.

NOTES ON IMPORTED COMMODITIES

FOODSTUFFS

Aerated and Mineral Waters.—Total imports, £3,521 as compared with £3,066 in 1936 and £2,234 in 1935. The United States was the principal supplier with about 75 per cent of the total, and the balance was divided between the United Kingdom, Germany, and France. Canada's contribution amounted to only £10. During the year arrangements were completed to produce Canada dry ginger ale and coco cola locally under licence.

Ale, Porter, and Stout.—Total, 7,796 gallons (£2,195), almost exclusively from the United Kingdom, as compared with 20,529 gallons (£4,809) in 1936.

Beer.—Total imports, 48,808 gallons (£9,501). Of this amount over 70 per cent came from the United Kingdom, the balance originating in Germany, the United States, Holland, and Canada in the order named. Canada, however, increased her sales to 1,629 gallons, or by nearly 100 per cent over 1936. Total imports in 1936 were 23,149 gallons (£4,472). While imports of ale, porter, and stout dropped by 12,733 gallons in 1937 as compared with 1936, purchases of beer rose by 25,659 gallons during the same period.

Biscuits.—Total, £4,533 as against £3,371 in 1936. The United States and United Kingdom were practically the only suppliers.

Butter.—Total, 2,474 cwts. (£15,135) as compared with 2,103 cwts. (£12,063) in 1936. New Zealand increased her share of the trade to 1,692 cwts. (£9,764), while Canada's share declined to 420 cwts. (£2,755). The United States, Australia, and Argentina supplied the balance.

Cheese.—Total, 875 cwts. (£4,175) as against 780 cwts. (£3,533) in 1936. Canada continued to hold the bulk of this trade, supplying 723 cwts.; the United States' share was 130 cwts.

Confectionery.—Total, £6,715 as against £6,047 in 1936. Imports from the United States were valued at £5,161, from the United Kingdom at £1,242, and from Canada at £312. Canada's share in 1936 was £232.

Cornmeal.—Total, 2,267 cwts. (£1,321). Canada supplied 1,769 cwts. (£1,040), and the balance was divided between the United Kingdom and United States. During the previous year imports were valued at £1,646, of which the United States' share was £987. Canada supplying the balance.

Eggs.—Total, 75,954 dozen (£5,232). The United States supplied 72,894 dozen (£5,018) and Canada the balance. In 1936 a total of 59,933 dozen were imported, of which the United States supplied 56,393 dozen.

Flour.—Total, 50,167 barrels (£65,956) as against 53,378 barrels (£53,139) in 1936. Canada's shipments dropped in quantity from 41,744 barrels to 35,150 barrels, but rose in value from £42,337 to £47,688, and imports from the United Kingdom dropped from 11,478 barrels (£10,621) to 5,674 barrels (£7,099). Australia came into the market for the first time in 1937 with 9,183 barrels (£10,918).

Fish, Canned.—Total, £4,422 as against £3,514 in 1936, distributed among the United States (£2,592), Canada (£906), Russia (£409), Japan (£228), with small quantities from the United Kingdom, France, and Portugal.

Fruits, Fresh, Unspecified.—Total, £3,879 as against £2,894 in 1936. These included chiefly apples, pears, peaches, grapes, and cherries. Apart from £65 worth from Canada, the United States was the sole supplier. Apples are imported chiefly in boxes and, as in other warm countries, a red apple of good keeping quality is required. No definite information is available as to the quantities absorbed, but dealers estimate that the market will not take more than 25 or 30 boxes a week. These come direct from New York or Miami.

Chicken and Dairy Feed.—Total, 8,663 cwt. valued at £5,044 (£5,126 in 1936): United States, £5,334 cwt. (£2,964); and Canada, 3,271 cwt. (£2,048). The 1937 figures of live stock in the colony are not yet available, but in 1936 reports show 2,650 head of horned cattle and 34,900 poultry.

Oats.—Total, 6,856 cwt. (£4,013). Canada was the chief supplier.

Hay.—Total, £2,103 cwt. (£815): United States, 1,173 cwt. (£462); and Canada, 930 cwt. (£353). A steady increase has taken place in hay imports during the past five years.

Hominy.—Total, 7,338 cwt. (£5,003): United States, 6,463 cwt. (£4,469); and Canada, 875 cwt. (£534).

In 1937 corn, cornmeal, and hominy were imported to the total value of about £6,600, and this is about the average value of importations of these commodities over the past five or six years. The Government is investigating the question of growing corn on the islands to replace this importation.

Jams, Jellies, and Preserved Fruits (not including Preserved Pineapples and Guavas).—Total, £4,356 as against £2,725 in 1936: United States, £3,241; United Kingdom, £737; Canada, £285; and Australia, £95. A report on the market in the Bahamas for canned fruits and vegetables was published in *Commercial Intelligence Journal* No. 1809 (October 1, 1938).

Lard.—Total, 8,996 cwt. (£20,725): United Kingdom, 8,446 cwt. (£19,082); and the balance from Canada and the United States. Imports in 1936 were 9,489 cwt. (£20,723). As in 1937, the United Kingdom was the chief supplier.

Meats, Beef and Pork, Pickled and Salted.—Total, 3,628 cwt. (£9,585) as against 2,656 cwt. (£6,180) in 1936: United States, £4,816; Argentina, £1,964; Canada, £1,618; and United Kingdom, £1,142.

Meats, Canned.—Total, £11,337: Argentina, £7,900; United States, £2,808; United Kingdom, £326; Canada, £179. Imports in 1936 were valued at £8,018, Argentina being the chief supplier.

Meats, Fresh.—Total, £20,977 as against £16,353 in 1936. This trade was divided equally between Canada and the United States.

Meats, Hams and Bacon.—Total, 2,546 cwt. (£12,876) as against 2,055 cwt. (£10,548) in 1936: United States, 1,276 cwt. (£7,161); Canada, 891 cwt. (£4,431); and the balance divided between Argentina, Holland, Ireland, and Denmark.

Meats, Poultry and Game.—Total, 1,338 cwt. (£7,485): United States, 841 cwt. (£5,359); Canada, 222 cwt. (£1,221); and Argentina, 275 cwt. (£905). Last year's imports were 1,100 cwt. (£6,850), divided in about the same proportions as in 1937.

Milk, Sweetened.—Total, £9,245. Canada was the largest supplier with £5,853, followed by Holland (£2,143), United Kingdom (£1,111), and Denmark (£124).

Milk, Unsweetened.—Total, £11,548: Canada, £5,420; United States, £5,136; Holland, £938; and United Kingdom, £54.

Provisions.—Total, £25,249: United States, £19,025; Canada, £2,098; and United Kingdom, £2,112. These consisted of a wide range of foodstuffs, otherwise unclassified.

Whisky in Bulk.—Total, 3,076 proof gallons (£2,844): United Kingdom, £1,594; Canada, £1,112; and United States, £138. Imports in the previous year totalled 5,000 gallons (£4,881).

Whisky in Bottles.—Total, 4,751 dozen quarts (£12,533): United Kingdom, £11,741; Canada, £619; and United States, £173. Imports in 1936 amounted to 11,608 dozen quarts (£22,686).

Sugar, White.—Total, 25,302 cwt. (£12,562): Cuba, 19,646 cwt. (£9,425); United States, 3,777 cwt. (£2,035); United Kingdom, 1,879 cwt. (£1,102). In 1936 the total was 26,184 cwt. (£11,777).

Vegetables, Canned.—Total, £2,641 as against £2,053 in 1936: United States, £2,157; and Canada, £393. A report on the market in the Bahamas for these products was published in *Commercial Intelligence Journal* No. 1809 (October 1, 1938).

Onions.—Total, 3,074 cwt. (£2,094): United States, 2,030 cwt. (£1,558); Canada, 532 cwt. (£258); and Egypt, 500 cwt. (£271).

Potatoes, Irish.—Total, 9,324 cwt. (£4,500): Canada, 7,079 cwt. (£1,058); Ireland, 580 cwt. (£259). A report on the potato market in the Bahamas was published in *Commercial Intelligence Journal* No. 1809 (October 1, 1938).

Tomatoes, Preserved.—Total, 475 cwt. (£935), all from the United States.

RAW MATERIALS AND ARTICLES MAINLY UNMANUFACTURED

Lumber.—Imports of lumber from all sources in 1937 totalled 4,677 M feet with a c.i.f. value of £42,579 as against 4,216 M feet (£27,255) in 1936. The United States supplied 4,119 M feet (£36,609) in 1937 as against 3,566 M feet (£23,289) in 1936; Canada's share was 529 M feet (£4,977) as compared with 644 M feet (£3,782) in the preceding year. Shipments from the United States consisted almost entirely of Southern pine, although some cypress was included.

It is not generally known that there are large areas of timber in the Bahamas, chiefly on the islands of Abaco, Andros, and Grand Bahamas. While no accurate survey has ever been made of the stand, it is estimated to cover about 500 square miles and consists largely of long-leaf yellow pine. Concessions were granted to a United States company to cut timber on these islands in 1906, and there has been intermittent production ever since, amounting in one year to 12,000 M feet but averaging much less than that. Some shingles have also been produced. Production in 1937 was 4,626 M feet as compared with 3,169 M feet in 1936 and 3,916 M feet in 1935. Local consumption has averaged slightly under 1,000,000 feet annually over the past six years.

Shingles.—Total, 19,272,000 lineal inches (£7,148) as compared with 20,382,000 lineal inches in 1936. The United States supplied 16,883,000 lineal inches (£5,832) and Canada 2,339,000 lineal inches (£1,316). Imports in 1936 were slightly higher. The United States' supplies were largely of cypress, although some Western red cedar shingles came in from the West Coast. Canadian shipments were entirely of Western red cedar. Shingles have been produced locally in past years of Abaco pine. In 1932 production amounted to 834,000; in 1933, 888,000; in 1934, 345,625; in 1935, 333,000. These were all sawn. There was no shingle production in 1936 or 1937.

MANUFACTURED GOODS

Apparel.—Total, £51,129 as against £39,587 in 1936, which in turn was practically double the 1935 imports. The United Kingdom was the largest supplier with £26,122, followed by the United States with £16,225; Hongkong, £3,557; Canada, £3,129; and Japan, £2,013.

Bags, Trunks, and Valises.—Total, £1,453 as against £512 in 1936: United Kingdom, £861; United States, £368; and Canada, £224.

Bicycles.—Total, 730 (£3,164) as against 554 (£2,372) in 1936: United Kingdom, 714 (£3,113); United States, 16 (£51). There has been a steady and sustained increase in the importation of bicycles during recent years. In 1932 only 76 machines were imported.

Bicycle Tires.—Total, 1,365 (£217), all from the United Kingdom.

Boots and Shoes of Rubber and Rubber-soled Canvas Boots and Shoes.—Total, 5,584 dozen pairs (£4,750) as against 3,702 dozen pairs (£3,006) in 1936. As in other recent years, Hongkong was the principal supplier with 3,390 dozen pairs (£2,337). Canada shipped 1,634 dozen pairs (£1,908) and the United Kingdom 541 dozen pairs (£478).

Boots and Shoes, Other.—Total, 7,005 dozen pairs (£17,530). The United States shipped 6,403 dozen pairs (£15,958); United Kingdom, 451 dozen pairs (£1,223); Hongkong, 106 dozen pairs (£233); and Canada, 45 dozen pairs (£106). Many of the local dealers visit New York once or twice a year or even more often, and while there pick up job lots at low prices. The market is accordingly not an attractive one for the manufacturer.

Cement.—Total, 119,467 cwt. (£16,097) as against 28,025 barrels (£11,539) in 1936: United Kingdom, 91,601 cwt. (£11,922); Canada, 24,844 cwt. (£3,576); and United States, 3,022 cwt. (£599).

Fertilizers.—Total, 12,117 cwt. (£5,137) as against 13,459 cwt. (£5,572) in 1936. The United States was the sole supplier apart from a small lot of 23 cwt. (£22) from Canada. Fertilizers are not dutiable, so there is no preference. Imports are almost exclusively used for tomato production, and a mixed fertilizer is used. The fertilizer which appears to give best results is a 4-8-6 mixture—i.e., 4 per cent nitrogen, 8 per cent available phosphoric acid, and 6 per cent water soluble potash, giving 18 per cent total available plant food. There are other mixtures used, but this one appears to suit local soil conditions generally. Canadian quotations received recently were favourable. Florida manufacturers who supply local growers send a representative each year to make a soil analysis, and they are therefore able to recommend the best mixture for each type of soil. Growers consider this service to be worth whatever little extra they may have to pay for the fertilizer.

Furniture.—Total, £54,855 as against £33,072 in 1936, £17,047 in 1935, £10,633 in 1934, and £6,672 in 1933: United States, £42,615; United Kingdom, £9,870; Canada, £1,345; and the balance divided among France, the Philippines, China, and Hongkong. This noteworthy increase is due to the large numbers of new houses which have been built in Nassau during the past few years by wealthy Northerners. Building permits issued so far in 1938 are about 40 per cent below the same period in 1937, so that this year there will likely be a falling-off in furniture imports. The predominance of the United States in this trade is due largely to lower cost of carriage from United States points to Nassau than from Canadian centres.

Haberdashery and Millinery.—Total, £9,596 as against £6,222 in 1936: United Kingdom, £5,796; United States, £2,345; Canada, £528; and the balance divided among Austria, Czechoslovakia, France, Germany, Italy, Japan, and Switzerland. While Canada's share of this trade was not large, the value of £528 in 1937 compared favourably with £186 in 1936 and £308 in 1935.

Hardware.—Total, £45,650 as against £28,683 in 1936: United States, £36,198; United Kingdom, £7,252; Canada, £858; and the balance divided among Belgium, Germany, Holland, Japan, and Sweden. Hardware imports jumped from £11,285 in 1932 to the above figure. As in the case of furniture, the increase is the direct result of building.

Medicines and Drugs.—Total, £14,567 as against £11,800 in 1936: United States, £10,670; United Kingdom, £3,269; and Canada, £442.

Nails, Iron.—Total, 2,703 cwts (£3,630): Canada, 1,533 cwts. (£1,949); United States, 1,099 cwts. (£1,558); and United Kingdom, 71 cwts. (£123). In 1936 a total of 1,874 cwts. were imported (£2,356). Canada's share in 1937 declined slightly, but the United States obtained most of the business held in the previous year by the United Kingdom and Germany.

Motor Cars and Trucks.—Total, 269 vehicles (£31,625): United States, 153 (£9,016); Canada, 104 (£15,964); United Kingdom, 11 (£6,525). The 1936 imports were 177 (£16,162) as against 124 in 1935 (£9,540).

Motor Cars and Trucks, Parts of.—Total, £3,691: United States, £3,373; Canada, £286; and United Kingdom, £32.

Motor Car Tires.—Total, 966 (£2,393) as against 869 in 1936 (£1,667): Canada, 593 (£1,648); United States, 277 (£473); and United Kingdom, 96 (£274).

Packages, Empty.—Total, £2,925 as against £2,663 in 1936, all from the United States. These consisted almost exclusively of tomato crates.

Paints.—Total, £16,112 as compared with £11,438 in 1936. Over 60 per cent of the trade went to the United States, about 35 per cent to the United Kingdom, and 5 per cent to Canada.

Paper.—Total, £7,547 as compared with £6,307 in 1936. Over 90 per cent of the imports came from the United States, with small quantities from the United Kingdom, Canada, Belgium, Holland, and Sweden.

Stationery.—Total, £5,982 as against £5,035 in 1936: United States, £2,782; United Kingdom, £2,435; and Canada, £753.

Textiles: (a) Hosiery, Cotton.—Total, 1,382 dozen pairs (£280): Hongkong, 846 dozen pairs (£131); United Kingdom, 403 dozen pairs (£108); Canada, 82 dozen pairs (£22); and United States, 51 dozen pairs (£19). This was a slight increase in quantity over 1936 (1,292 dozen pairs), but the total value was the same.

(b) Hosiery, Silk.—Total, 411 dozen pairs (£402) as compared with 421 dozen pairs in 1936 (£452). Canada had practically all this business in both years.

(c) Hosiery, Artificial Silk.—Total, 5,613 dozen pairs (£2,112) as compared with 4,493 dozen pairs (£1,749): United Kingdom, 2,920 dozen pairs (£1,253); Canada, 1,340 dozen pairs (£582); and Hongkong, 1,334 dozen pairs (£267). The average price of the Hongkong article in comparison with those from the United Kingdom and Canada is noteworthy.

(d) Hosiery, Woollen.—Total, 881 dozen pairs (£1,206) as against 580 dozen pairs (£602) in 1936. The United Kingdom was the sole supplier.

Cordage.—Total, 855 cwts. (£2,322) as compared with 598 cwts. (£1,486) in 1936: United Kingdom, 710 cwts. (£1,896); Canada, 30 cwts. (£95); Philippines, 111 cwts. (£313).

Twine.—Total, 107 cwts. (£862) as compared with 80 cwts. (£602) in 1936: United Kingdom, 70 cwts (£582); and United States, 37 cwts. (£280).

PRINCIPAL EXPORTS

FOODSTUFFS

Crawfish.—The export of crawfish is a new industry which began in 1936, when shipments totalled £731 in value. In 1937 exports jumped to a value of £5,912, and there is every indication that this industry will develop into a valuable one for the colony, particularly as it is being carefully controlled and safeguarded by the Government to prevent exploitation and depletion of the beds. The entire output went to the United States.

Fresh Fish.—Total, £435 as compared with £2,343 in 1936 and £2,654 in 1935. The Bahamas produces practically all her own requirements of fresh fish, as the surrounding waters abound in edible fish of great variety.

Tomatoes, Raw.—Total, 76,000 bushels (£15,561) as compared with 105,000 bushels in 1936 (£27,610). Canada took the entire output. The decline in exports is stated to be the result of a more rigid system of inspection instituted by the Government last year.

Salt.—Total, 138,000 bushels (£1,584) as against none in 1936, but 15,000 bushels were shipped in 1935, 88,000 in 1934, and 79,000 in 1933. The entire output in 1937 was produced by United States interests on the island of Inagua and, apart from 6,400 bushels which went to Jamaica, all exports went to Canada. Efforts are being made by local authorities to bring back into production a number of other salt ponds which have been idle for some time.

Fruits and Vegetables.—Apart from tomatoes, exports of small fruits and vegetables were unimportant. Small experimental shipments were made to Canada, however, of limes, sweet peppers, pineapples, and fresh vegetables. It is hoped that the production and export of these and a number of other kinds may be developed.

RAW MATERIALS AND ARTICLES WHOLLY OR MAINLY UNMANUFACTURED

Bahamas Hemp.—Total, 727 tons (£8,477), of which 717 tons (£8,385) went to the United States and 10 tons (£92) to Jamaica. In 1936 exports amounted to 1,487 tons (£15,007). Production of Bahamas hemp or sisal was at one time the premier industry of the colony. For 1919, exports are recorded at a value of £85,131 but, due to various factors, production fell away until a low point was reached in 1933, when 22 tons were shipped having a value of £162. The real reasons for the failure of this industry to hold its own are not altogether clear, but it appears to be due to the fact that proper facilities for cleaning the fibre are lacking, with the result that the Bahamas product was not regarded as up to standard in consuming markets, and the business became unprofitable. With a more rigid system of grading and inspection and the installation of up-to-date decorticating machines, there appears to be no reason why the industry should not prosper in these islands, the soil of which is eminently suitable for the growth of this fibre.

Bark and Siftings, Cascarilla.—Total, 318 cwts. (£1,064) as against 280 cwts. in 1936 (£864). The United Kingdom and the United States took the entire output.

Marine Curios.—Total, £771, most of which was taken by the United States. In 1936 the value of exports was £644.

Hides and Skins.—Total, 13,712 (£1,010) entirely to the United States. In 1936 a total of 18,424 was shipped valued at £1,154.

Lumber.—Total, 3,313,000 board feet (£23,546): Jamaica, 2,428,000 feet (£18,268); and Cuba, 826,000 feet (£4,756). Production, import, and export of lumber in the Bahamas is dealt with in greater detail in an earlier part of this report.

Shells, Tortoise and Conchs.—Total, £3,224 as against £3,284 in 1936; United Kingdom, £2,992; the United States the balance.

Sponge.—The total value of sponges of all kinds shipped from the islands in 1937 was £95,350 as against £54,912 in 1936. Sponge is therefore at present the largest single item of export. The industry, however, has been adversely affected during recent years due to depletion of beds through hurricane and lack of conservation of the young sponges by fishers. In order to rehabilitate the industry a sum of £23,000 has been made available from the Colonial Development Fund. This fund has been added to by the local Government, bringing the total amount up to £28,000. This sum is to be spent over a period of five years by the Sponge Fishery Investigation Department under the direction of an eminent biologist, and it is hoped that as a result this important industry may be restored to its former prosperous condition.

TOURIST TRADE

This is by far the most important industry of the colony. Balancing imports against domestic exports (£1,219,353 against £164,857 in 1937), there is an adverse visible trade balance of over £1,000,000. This represents roughly what the tourist trade is worth to the colony. During 1937, 62 excursion steamers called at the port of Nassau, 22 more than in 1936. The number of excursionists arriving was 45,732, an increase of 8,580 over 1936. Calls by private yachts numbered 117 as compared with 83 in the previous year. The sum of £9,812 was collected in passenger fees (the equivalent to a landing tax) as compared with £8,191 in 1936 and £3,695 in 1933.

TENDERS FOR SUPPLIES FOR GOVERNMENT HOSPITALS IN WESTERN AUSTRALIA

The Canadian Trade Commissioner at Melbourne writes under date August 31, 1938, that the Department of Public Health of the Government of Western Australia has issued a call for tenders for supplies of chemicals, drugs, druggists' sundries and apparatus for government department, hospitals, etc., in that state.

Tender forms, including lists of supplies on which offers are required, are available to interested Canadian exporters on application to the Department of Trade and Commerce, Ottawa, quoting file No. 31345. The closing date for submitting tenders is November 10, 1938.

It is suggested that Canadian exporters interested in Western Australia be represented in that state by local agents. The Canadian Trade Commissioner at Melbourne will be pleased to nominate representatives at the request of Canadian exporters.

Tenders may be submitted by Canadian exporters direct, but it would be advisable to have the assistance of a local agent, as tenderers in Canada must quote for goods delivered free into government store, Fremantle, Western Australia. If a tender is accepted, it is not necessary for an agent in Western Australia to carry stocks. If preferred, it could be stipulated by the tenderer that the full quantity of the tender be indented in one shipment.

INDIAN WHEAT CROP FORECAST

PAUL SYKES, CANADIAN TRADE COMMISSIONER

Calcutta, August 27, 1938.—The final forecast of the 1937-38 wheat crop in India was published in the *Indian Trade Journal* of August 25. The acreage sown to wheat is estimated at 35,635,000 acres, an increase over the previous year of 2,420,000 acres, and the yield per acre at 678 pounds as compared with 658 pounds for the 1936-37 crop. The total yield is therefore placed at 10,780,000 tons, an increase as compared with the previous year's crop of 1,028,000 tons. The 1937-38 crop is slightly less than that of 1933-34 but with this one exception is considerably larger than any other harvested during the last ten years.

It is anticipated that the current situation in the world market for wheat will result in a maintenance of Indian exports. As previously noted in reports on this business, India exported very small amounts of wheat in 1934-35 and 1935-36 but sold 231,500 tons in 1936-37 and 459,800 tons in the year ended March 31, 1938. Export shipments for the first three months of the current fiscal year have been slightly less than during the same period last year but are likely to increase in the near future. The bulk of India's wheat exports are destined for the United Kingdom market.

JAPAN'S FOREIGN TRADE, JANUARY TO JUNE

A. K. DOULL, ASSISTANT TRADE COMMISSIONER

(One yen equals approximately 29 cents Canadian at the present rate of exchange)

Tokyo, August 9, 1938.—The total foreign trade of Japan proper for the first six months of 1938 was valued at 2,595,105,128 yen as against 3,673,670,254 yen in the 1937 half-year period, a decrease of 1,078,565,126 yen. Exports were valued at 1,200,632,545 yen as against 1,527,776,070 yen, a decrease of 327,143,525 yen; imports were valued at 1,394,472,583 yen as against 2,145,894,184 yen, a decrease of 751,421,601 yen. Japan had thus a greatly reduced unfavourable balance of trade during the period under review amounting to only 193,840,038 yen as against 618,118,114 yen in the 1937 similar period, a decrease of

424,278,076 yen. This decrease in excess of imports has been due to heavy restrictions placed by the Government upon numerous imports not considered entirely necessary.

EXPORTS BY CONTINENTS

Japan's largest volume of exports went to Asiatic countries and were valued at 740,466,941 yen as against 824,653,500 yen. Exports to North America were next in importance, being valued at 181,738,886 yen as against 345,976,315 yen; to Europe at 118,685,787 yen as against 152,721,338 yen; and to African countries at 62,159,629 yen as against 100,102,783 yen. Oceanic countries purchased goods from Japan valued at 48,716,356 yen as against 40,321,278 yen. This group was the only one to take increased exports from Japan during the period. Exports to South America were valued at 35,768,533 yen as against 37,942,312 yen, and to Central America at 13,096,413 yen as against 26,058,544 yen.

EXPORTS BY PRINCIPAL COUNTRIES

The following table shows the twenty leading purchasers of Japan's products during the first six months of 1938 and 1937, in order of the value of products exported to them:—

	Jan.-June, 1938 Yen	Jan.-June, 1937 Yen	Inc. or Dec. Per Cent
Kwantung Province	(1) 235,809,325	(2) 179,560,502	+ 31.3
United States	(2) 174,885,927	(1) 336,532,193	- 48.0
Manchukuo	(3) 140,778,654	(6) 91,825,540	+ 53.3
China proper	(4) 132,033,409	(3) 124,997,393	+ 5.6
British India	(5) 81,829,775	(4) 122,436,883	- 33.1
Great Britain	(6) 62,111,768	(7) 68,606,055	- 9.4
Dutch East Indies	(7) 43,345,190	(5) 115,267,675	- 62.4
Australia	(8) 35,742,781	(12) 24,439,423	+ 46.2
Siam	(9) 21,526,584	(11) 28,146,983	- 23.5
Philippine Islands	(10) 19,468,039	(10) 29,616,612	- 34.2
Federation of South Africa . . .	(11) 16,875,043	(13) 22,212,123	- 24.0
France	(12) 15,669,066	(15) 20,587,288	- 23.9
Argentina	(13) 13,186,726	(17) 15,013,098	- 12.1
Germany	(14) 12,636,039	(14) 20,657,667	- 38.8
Straits Settlements	(15) 10,134,822	(8) 40,008,101	- 74.7
Hongkong	(16) 9,331,771	(9) 34,932,385	- 73.3
French Morocco	(17) 8,950,153	(25) 7,180,000	+ 24.6
Iraq	(18) 8,326,956	(19) 12,509,518	- 33.4
Kenya, Uganda and Tanganyika .	(19) 8,219,913	(18) 14,752,309	- 44.3
Burma ¹	(20) 7,081,827	.....	.....

¹ Up to 1938 was included in British India.

EXPORTS BY COMMODITIES

THREE PRINCIPAL EXPORTS

Cotton tissues were as usual Japan's largest single export item. Exports of these for the six months under review amounted to 1,093,449,707 square yards (220,554,122 yen) as against 1,259,936,508 square yards (269,453,824 yen) in the 1937 similar period. Of total exports of cotton tissues, 412,209,479 square yards (69,408,594 yen) were classified as "grey," 274,203,518 square yards (51,530,626 yen) as "bleached," and 407,036,710 square yards (99,614,902 yen) as "other."

The largest purchasers of "grey" cotton tissues were British India (15,160,595 yen), Manchukuo (13,208,187 yen), China proper (9,051,026 yen), the Dutch East Indies (4,643,628 yen), Australia (3,527,922 yen), and Kwantung Province (3,440,982 yen). "Bleached" cotton tissues were exported chiefly to China proper (9,101,299 yen), the Dutch East Indies (7,480,807 yen), Manchukuo (5,136,267 yen), British India (5,070,273 yen), French Morocco (4,815,580 yen), and Kwantung Province (3,063,084 yen). Exports of "other" cotton

tissues went chiefly to Manchukuo (14,043,871 yen), Kwantung Province (8,386,-186 yen), Argentina (7,768,562 yen), British India (7,474,109 yen), the Dutch East Indies (6,123,008 yen), and China proper (5,676,779 yen).

Raw silk was Japan's second largest export item and amounted to 202,980 bales (150,887,336 yen) as compared with 209,241 bales (186,396,160 yen) in the 1937 similar period. As usual, the United States was Japan's largest raw silk customer, taking 161,860 bales (119,099,276 yen) as against 179,548 bales (159,181,808 yen). Other purchasers of raw silk included Great Britain (14,-126,898 yen), France (9,528,756 yen), and Australia (3,344,751 yen). Canada's purchases of raw silk amounted to only 195 bales valued at 179,634 yen as against 436 bales valued at 419,830 yen. This is according to Japanese statistics, which, of course, do not take into account Canada's purchases of Japanese raw silk from New York, which are shown in the Japanese trade returns as exports to the United States.

Japan's third largest export was that of machinery valued at 60,299,637 yen as against 57,117,788 yen. The largest purchasers of Japanese machinery and parts were Kwantung Province (27,859,811 yen), Manchukuo (11,334,548 yen), and China proper (11,169,535 yen).

EXPORT VALUES EXCEEDING 10,000,000 YEN

The following other products were exported to a value exceeding 10,000,000 yen:—

Artificial silk tissues (54,477,849 yen), chiefly to Australia, Kwantung Province, British India, Manchukuo, and the Dutch East Indies; comestibles (32,234,248 yen), chiefly to Great Britain, the United States, Kwantung Province, China proper, and Australia; wheat flour (28,366,028 yen), chiefly to China proper, Kwantung Province, and Manchukuo; silk tissues (23,888,126 yen), chiefly to Great Britain, British India, the United States, Kwantung Province, and Australia; iron manufactures (22,314,495 yen), chiefly to Kwantung Province, Manchukuo, China proper, British India, and the Dutch East Indies; papers (20,693,244 yen), chiefly to Kwantung Province, China proper, and Manchukuo; pottery (18,368,338 yen), chiefly to the United States, Kwantung Province, Manchukuo, the Dutch East Indies, and Australia; woollen tissues (17,853,137 yen), chiefly to Kwantung Province, Manchukuo, and China proper; knitted goods (17,510,927 yen), chiefly to the Dutch East Indies, Great Britain, the Philippine Islands, the Federation of South Africa, British India, and Manchukuo; cotton yarns (17,230,377 yen), chiefly to British India, the Dutch East Indies, and Manchukuo; refined sugar (13,408,631 yen), chiefly to Kwantung Province, China proper, and Manchukuo; glass and glass manufactures (12,541,443 yen), chiefly to British India, the Dutch East Indies, and Manchukuo; and toys (11,883,160 yen), chiefly to Great Britain and the United States.

IMPORTS BY CONTINENTS

Asia was Japan's chief source of supply during the period under review, imports from Asiatic countries being valued at 544,285,991 yen as against 798,-762,034 yen for the first six months of 1937. Imports from North America were valued at 512,305,518 yen as against 679,774,522 yen. Imports from European countries were valued at 218,329,967 yen as against 250,672,882 yen, and from Oceanic countries at 53,431,294 yen as against 173,184,885 yen.

Imports from African countries were valued at 33,244,991 yen as against 156,021,067 yen, from South America at 28,461,850 yen as against 73,880,042 yen, and from Central America at 4,412,972 yen as against 13,597,752 yen.

PRINCIPAL SOURCES OF SUPPLY

The following table shows Japan's twenty largest suppliers during the first six months of 1938 and 1937, in order of the value of products which were imported from them:—

	Jan.-June, 1938 Yen	Jan.-June, 1937 Yen	Inc. or Dec. Per Cent
United States	(1) 460,413,697	(1) 635,265,028	— 27.5
Manchukuo	(2) 199,852,069	(3) 140,590,609	+ 42.1
Germany	(3) 101,678,865	(6) 89,548,792	+ 13.5
British India	(4) 89,498,395	(2) 308,831,133	— 71.0
China proper	(5) 80,876,902	(5) 103,357,644	— 21.7
Dutch East Indies	(6) 52,959,032	(7) 80,057,064	— 33.8
Canada	(7) 51,888,250	(12) 44,500,758	+ 16.6
Australia	(8) 44,174,911	(4) 127,331,822	— 65.3
Great Britain	(9) 42,397,739	(9) 57,540,512	— 26.3
Kwantung Province	(10) 32,148,229	(18) 23,515,718	+ 36.7
Straits Settlements	(11) 29,582,952	(11) 47,430,977	— 37.6
Egypt	(12) 18,605,367	(10) 56,519,709	— 67.1
Philippine Islands	(13) 16,095,751	(16) 24,611,547	— 34.6
Sweden	(14) 14,415,102	(17) 23,740,130	— 39.3
British Malaya	(15) 13,578,541	(19) 22,711,696	— 40.2
Argentina	(16) 13,132,708	(15) 27,462,430	— 52.2
French Indo-China	(17) 9,357,397	(22) 15,162,707	— 38.3
Norway	(18) 8,900,952	(24) 11,058,595	— 19.5
Switzerland	(19) 8,774,157	(26) 9,746,521	— 10.0
Belgo-Luxemburg Economic Union	(20) 8,128,916	(21) 16,505,831	— 50.7

IMPORTS BY COMMODITIES

Metals.—Although metals are no longer shown separately in Japanese statistics, it is known that Japan purchased large quantities of iron and steel, nickel, lead, zinc, aluminium, tin, etc. Total imports of ores and metals were valued at 340,442,896 yen as against 355,282,276 yen in the 1937 period. Ores and metals were therefore Japan's chief import item during the six-month period under review.

Raw Cotton.—Imports of raw cotton amounted to 584,337,864 pounds (217,505,221 yen) as against 1,328,799,120 pounds (630,715,186 yen), a large decrease in both quantity and value. Imports of raw cotton came chiefly from the United States (93,599,534 yen), British India (55,127,616 yen), and China proper (46,119,549 yen).

Sheep's Wool.—Imports of sheep's wool amounted to 57,194,016 pounds (48,599,046 yen) as against 219,824,220 pounds (258,003,233 yen), a large decrease in both quantity and value. Imports from Australia were valued at 33,887,687 yen, from New Zealand at 4,847,407 yen, from Argentina at 3,686,598 yen, and from the Federation of South Africa at 3,369,005 yen.

Mineral Oil.—Imports of mineral oil are no longer shown separately but are included in the item "other oils, fats, waxes." Imports of this item were valued at 141,399,462 yen as against 121,441,908 yen, an increase of 19,957,554 yen. Practically all of this total represents mineral oil.

Machinery.—Imports of "all types of machinery" (including automobiles and parts, which are no longer shown separately in Japanese trade returns) and scientific instruments were valued at 164,443,965 yen as against 125,681,337 yen, an increase of 38,762,628 yen.

VALUES EXCEEDING 10,000,000 YEN

The following other products were imported to a value exceeding 10,000,000 yen:—

Beans (64,584,958 yen), chiefly from Manchukuo; oilcake (44,286,212 yen), chiefly from Manchukuo; cellulose pulp (35,103,972 yen), chiefly from the United States, Norway, Sweden, and Canada; coal (28,272,675 yen), chiefly from Manchukuo and China proper; rubber (27,026,677 yen), chiefly from the Straits Settlements and the Dutch East Indies; sulphate of ammonia (22,965,344 yen), chiefly from Germany and Kwantung Province; phosphorite (13,837,784 yen), chiefly from Egypt, the United States, and the Straits Settlements; lumber (11,193,098 yen), chiefly from the United States and the Philippine Islands; and other vegetable fibres (11,034,174 yen), chiefly from the Philippine Islands, Manchukuo, British India, and China proper.

VALUES UNDER 10,000,000 YEN

The following products were imported to a value not exceeding 10,000,000 yen and not less than 1,000,000 yen:—

Rice, chiefly from Siam; wheat, chiefly from Australia; sugar, chiefly from the Dutch East Indies; fresh beef, chiefly from China proper and Australia; leather, chiefly from British India; caustic soda, chiefly from Manchukuo; woollen tissues, chiefly from Great Britain; watches and parts, chiefly from Switzerland; and wheat bran, chiefly from Manchukuo.

SUMMARY OF THE FOREIGN TRADE OF JAPAN

Following is a summary of Japan's foreign trade for the first six months of 1938 and 1937:—

	Jan.-June, 1938 Yen	Jan.-June, 1937 Yen	Decrease Per Cent
Imports	1,394,472,583	2,145,894,184	35.0
Exports	1,200,632,545	1,527,776,070	21.4
Total trade	2,595,105,128	3,673,670,254	29.3
Excess of imports	193,840,038	618,118,114	68.6

PRINCIPAL EXPORTS AND IMPORTS

The following tables show Japan's chief exports and imports for the first six months of 1938 and 1937, together with the percentages of increase or decrease as against the 1937 period:—

Principal Exports from Japan

	Jan.-June, 1938 Yen	Jan.-June, 1937 Yen	Inc. or Dec. Per Cent
Cotton tissues—			
Other	99,614,902	140,663,624	— 29.2
Grey	69,408,594	67,001,437	+ 3.6
Bleached	51,530,626	61,788,763	— 16.6
Raw silk	150,887,336	186,396,160	— 19.0
Machinery	60,299,637	57,117,788	+ 5.6
Artificial silk tissues	54,477,849	75,107,580	— 27.4
Comestibles	32,234,248	37,880,919	— 14.9
Wheat flour	28,366,028	6,333,107	+347.9
Silk tissues	23,888,126	34,394,203	— 30.5
Iron manufactures	22,314,495	26,921,907	— 17.1
Papers	20,693,244	19,584,352	+ 5.6
Pottery	18,368,238	24,295,871	— 24.4
Lumber	18,320,392	14,678,148	+ 24.8
Woollen tissues	17,853,137	19,930,278	— 10.4
Knitted goods	17,510,927	26,758,017	— 34.5
Cotton yarns	17,230,377	23,832,685	— 27.7
Sugar	13,408,631	10,360,332	+ 29.4
Glass	12,541,443	16,911,502	— 25.8
Toys	11,883,169	18,833,582	— 36.9

Principal Imports into Japan

	Jan.-June, 1938 Yen	Jan.-June, 1937 Yen	Inc. or Dec. Per Cent
Ores and metals	340,442,896	355,282,276	— 4.2
Raw cotton	217,505,221	630,715,186	— 65.5
Beans	64,584,958	62,256,260	+ 3.7
Sheep's wool	48,599,046	258,003,233	— 81.1
Oil cake	44,286,212	32,059,917	+ 38.1
Cellulose pulp	35,103,972	48,077,572	— 27.0
Coal	28,272,675	29,452,079	— 4.0
Rubber	27,026,677	72,006,735	— 62.4
Sulphate of ammonia	22,965,344	11,066,425	+107.5
Oil yielding materials	18,121,677	28,024,722	— 35.3
Hides and skins	16,312,965	20,502,456	— 20.4
Phosphorite	13,837,784	10,972,226	+ 26.1
Lumber	11,193,098	25,215,326	— 55.6
Other vegetable fibres	11,034,174	22,847,907	— 51.7

JAPAN'S TRADE WITH CANADA

Japan's total trade with Canada during the first six months of 1938 was valued at 58,717,357 yen as against 53,903,570 yen in the 1937 similar period, an increase of 4,813,787 yen. Exports to Canada were valued at 6,829,107 yen as against 9,402,812 yen, a decrease of 2,573,705 yen, and imports from the Dominion at 51,888,250 yen as against 44,500,758 yen, an increase of 7,387,492 yen.

Japan had thus an unfavourable balance of trade with Canada during the period under review amounting to 45,059,143 yen as compared with an excess of imports amounting to 35,097,946 yen in the 1937 similar period, an increase of 9,961,197 yen.

This is according to Japanese statistics, which do not, of course, show indirect exports to Canada of such products as raw silk, which is purchased through New York. If Canada's purchases of Japanese raw silk were taken into account, Japan's unfavourable balance of trade with Canada would be reduced to a considerable extent.

EXPORTS TO CANADA

Japan's largest export to Canada is raw silk, but, as has been mentioned above, this product is imported into the Dominion chiefly from the United States, and is therefore shown in Japanese statistics as an export to the United States. According to the Japanese trade returns, direct exports of raw silk to Canada amounted to only 195 bales valued at 179,634 yen as against 436 bales valued at 419,830 yen, a decrease in both quantity and value.

According to returns of the Dominion Bureau of Statistics, total Canadian imports of "silk cocoons, raw silk, not more advanced than singles, not to include material wholly or partly degummed," amounted to 1,193,784 pounds (\$2,014,621) in the first six months of 1938. This compares with 1,217,299 pounds (\$2,472,365) in the first six months of 1937. Included in these totals were 1,161,755 pounds (\$1,951,178) imported from the United States, but mainly of Japanese origin, as compared with 1,146,572 pounds (\$2,324,524) in the first half of 1937. Direct imports from Japan totalled 25,296 pounds (\$52,395) and 68,031 pounds (\$142,719) in the first six months of 1938 and 1937 respectively.

Next to raw silk, Japan's chief exports to Canada were toys, pottery, artificial silk tissues, rice, and lamps and parts.

Exports of toys to the Dominion were valued at 661,615 yen as against 725,233 yen, a decrease of 63,618 yen. Canada was Japan's fifth best customer for toys, following Great Britain, the United States, Australia, and British India.

Exports of pottery to Canada were valued at 597,988 yen as against 1,034,945 yen, a decrease of 436,957 yen; of artificial silk tissues, at 543,912 yen as against 532,053 yen, an increase of 11,859 yen; and of rice, at 341,332 yen as against 401,028 yen, a decrease of 59,696 yen. Canada was the largest purchaser of rice from Japan during the period under review. Exports of lamps and parts to the Dominion were valued at 145,463 yen as against 334,906 yen, a decrease of 189,443 yen.

Other exports to Canada of importance were silk tissues (112,675 yen), tea (76,607 yen), buttons (68,574 yen), brushes (63,057 yen), silk handkerchiefs (49,928 yen), and menthol crystals (24,938 yen).

IMPORTS FROM CANADA

As metals and some other products are no longer shown separately in Japanese statistics, it is not possible here to give figures of imports from Canada of nickel, lead, aluminium, and zinc, all of which are shipped in considerable quantities to Japan.

According to returns of the Dominion Bureau of Statistics, however, exports of nickel, lead, aluminium, and zinc from Canada to Japan for the first six months of 1938 and 1937 were as follows, figures for the latter period being shown within parentheses: nickel, \$2,586,248 (\$1,812,137); lead, \$149,544 (\$2,948,573); aluminium, \$2,691,174 (\$1,245,034); and zinc, \$552,171 (\$421,743).

Apart from metals, Japan's largest import from Canada was cellulose pulp, amounting to 37,616,396 pounds (5,008,302 yen) as against 44,668,799 pounds (3,541,357 yen) in the 1937 period. Of the above amount, 36,310,130 pounds (4,843,458 yen) were rayon pulp and 1,306,266 pounds (164,844 yen) were paper pulp. Canada was the fourth largest supplier of pulp to Japan, following the United States, Norway, and Sweden.

The Dominion continued to hold her place as the largest exporter of newsprint to Japan, but imports of this commodity show a large decrease as compared with former years, due to the Government's policy of limiting the imports of all products wherever possible. Domestic production of newsprint has also increased during the last two or three years, and recently, with a view to economy, newspapers have been requested by the authorities to cut down the number of pages in order to lessen consumption. The high price of Canadian newsprint has been a contributing factor to decreased sales to Japan. This country does not produce sufficient newsprint to meet her requirements, and if the price of the Canadian product had been lower, the reduction in imports from the Dominion would not, even under present conditions, have been so great. Imports of newsprint from Canada were valued at 359,966 yen as against 1,911,892 yen in the similar period of 1937 and 4,586,132 yen in the first six months of 1936. Total imports of newsprint during the period were valued at 715,277 yen, making Canada's share over 50 per cent.

Imports of wheat from Canada so far this year have been nil as against 750,000 bushels (3,591,727 yen) in last year's similar period. Total imports of wheat were valued at 7,381,749 yen, of which amount imports from Australia were valued at 3,437,726 yen and from "other" countries at 3,693,030 yen.

Shipments of wheat from Australia show a decrease in value of 67·8 per cent, from Argentina a decrease of 86·4 per cent, and from China proper a decrease of 96·5 per cent. Imports from "other" countries, however, showed an increase of 69·4 per cent in value. By "other" countries is meant Manchukuo and Mesopotamia, which supplied 60 and 40 per cent of this amount respectively. Both these countries receive special consideration at the present time in the matter of supplying wheat to Japan, due to trade agreements.

Although Canadian wheat has no superior in this market, the present price is too high as against Manchukuo wheat, which is a semi-hard variety and, although not as satisfactory for flour manufacture, is considered good enough under the present emergency conditions.

Imports of wheat flour from Canada have been practically nil this year, due to the fact that the one large firm which used Canadian flour almost exclusively for the manufacture of a seasoning extract have been forced to discontinue their purchases on account of exchange control regulations. There have, however, been practically no imports of flour from any country during the period. Imports of lumber from all sources have been greatly restricted, and the total value of imports of this product fell from 25,215,098 yen in the 1937 half-year period to 11,193,098 yen during the period under review. Imports of lumber from Canada were valued at 690,671 yen as against 4,922,560 yen in the 1937 period and 2,119,512 yen in the first six months of 1936.

SUMMARY OF JAPAN'S TRADE WITH CANADA

The following is a summary of Japan's total trade with Canada for the first six months of 1938 and 1937:—

	Jan.-June, 1938 Yen	Jan.-June, 1937 Yen	Inc. or Dec. Per Cent
Imports	51,888,250	44,500,758	+ 16.6
Exports	6,829,107	9,402,812	— 27.4
Total trade	58,717,357	53,903,570	+ 8.9
Excess of imports	45,059,143	35,097,946	+ 28.4

CHIEF EXPORTS AND IMPORTS

The following table shows Japan's chief exports to and imports from Canada for the first six months of 1938 and 1937, together with percentages of increase or decrease as compared with the corresponding period of 1937:—

Principal Exports to Canada

	Jan.-June, 1938 Yen	Jan.-June, 1937 Yen	Inc. or Dec. Per Cent
Toys	661,615	725,233	— 8.8
Pottery	597,988	1,034,945	— 42.2
Artificial silk tissues	543,912	532,053*	+ 2.2
Rice	341,332	401,028	— 14.9
Raw silk	179,634	419,830	— 57.2
Lamps and parts	145,463	334,906	— 56.5
Silk tissues	112,675	133,427	— 15.5
Tea	76,607	281,704	— 72.8
Buttons	68,574	57,966	+ 18.3

* Direct exports only.

Principal Imports from Canada

	Jan.-June, 1938 Yen	Jan.-June, 1937 Yen	Inc. or Dec. Per Cent
Cellulose pulp	5,008,302	3,541,357	+ 41.4
Lumber	690,671	4,922,560	— 86.0
Newsprint	359,966	1,911,892	— 81.3
Beef (fresh)	6,455	111,572	— 94.2
Wheat .. . . .	.....	3,591,727	.....

In addition to the foregoing commodities, the following metals were imported from Canada but, since Japanese figures are not available, the values shown are those supplied by the Dominion Bureau of Statistics for exports from Canada to Japan:—

	Jan.-June, 1938	Jan.-June, 1937
Lead	\$ 149,544	\$2,948,573
Nickel	2,586,248	1,812,137
Zinc	552,171	421,743
Aluminium	2,691,174	1,245,034

SUMMARY

It is gratifying to observe that, although the total imports into Japan during the first half of 1938 dropped some 35 per cent as compared with the corresponding six months of 1937, purchases from Canada increased by 16.6 per cent. Canadian trade has, by reason of the import and exchange control regulations, been reduced in the number and variety of commodities which can be sold in Japan. Fortunately, however, some Canadian products are classed as essentials in Japan, and imports of these account for the expansion in Canadian trade.

In general, it may be said that from the viewpoint of the visible balance of commodity trade Japan has effected a considerable improvement in her trading position. In this connection it should be noted that Japan's trade with Manchukuo, Kwantung Leased Territory, and North China has been very favourable to Japan, exports during the six months under review being valued at 458,829,911 yen and imports from those countries at 301,154,470 yen, or an excess of exports over imports of 157,675,441 yen. Japan, Manchukuo, Kwantung Leased Territory, and North China are within the so-called "yen-bloc," and the trade between them might properly be regarded as a wider domestic trade, as the excess of exports does not contribute to the balance of international payments nor do imports require any payment in foreign currency. On this basis the external trade is less favourable than the published totals indicate.

However, Japan's efforts to curtail imports have resulted in a marked improvement in the visible balance of trade, even when the "yen-bloc" countries are excluded. The excess of imports over exports to all countries except North China, Manchukuo, and Kwantung Leased Territory for the six months under review was 351,515,479 yen as compared with 696,093,047 yen for the first six months of 1937, this improvement being due largely to reduced imports. It is not possible to estimate at this stage what the visible balance of trade for the year will be. The invisible trade will doubtless be adverse to Japan due to a number of reasons, prominent among which is the loss of revenue to transportation companies following a decrease in overseas trade.

WHEAT AND FLOUR TRADE REGULATION IN ITALY

J. C. DEPOCAS, ASSISTANT TRADE COMMISSIONER

(The quintal is the metric quintal; the ton is the short ton of 2,000 pounds)

Milan, September 6, 1938.—Before the beginning of a wheat campaign the farmer must give notice of the number of hectares he intends to devote to wheat. This figure may be increased or diminished by the authorities acting on behalf of the Minister of Agriculture. His entire crop, minus a certain quantity corresponding to 2.5 quintals (9.2 bushels) of wheat for each member of his family, dependents, and helpers, must be surrendered to the wheat pools, which buy it at fixed prices for the several qualities, deducting a small charge for storage and other incidental expenses, and adding bonuses for grain of a certain specific gravity. The wheat in the hands of the pools, whether it has been delivered to their depots or left with the grower, continues to be the property of the grower, who confers a mandate on the pools for its sale under the conditions provided by legislation.

PAYMENT FOR WHEAT

The value of the wheat is advanced in full to the pools by banks authorized to transact agricultural credit. With the means thus placed at their disposal, the pools pay the farmer who ceases to be the owner and, if the wheat has not yet been delivered, becomes the guardian. Should the agricultural credit banks finance the pools in part by subsidies from the bank of issue, they are required to reduce or eliminate such credits progressively with the money received from the grain sold.

Creditors of farmers may register their claims for payment with the pools, which may arrange payment on behalf of the debtors when remittance for the grain is effected. The pools must not use coercion or give any guarantee concerning remittance, but can only ask the debtor if it is his intention to honour his obligation.

CONTROL OF POOLS

The pools in each province are placed under a Central Provincial Committee on which sit two representatives of the land owners, one of whom is a wheat farmer, a representative of the agricultural consortium of the province, and a representative of the agricultural workers. The president, representing the banks financing the pools, is appointed by the Minister of Agriculture. These provincial committees are under the control of the Minister of Agriculture, to whom they are responsible.

The quantities of wheat threshed must be reported daily to the Provincial Council of Corporations on forms supplied for that purpose and which must be mailed every night free of charge.

BASIC PRICE FOR WHEAT

The basic price for wheat paid to the producer is now \$1.93 per bushel for soft wheat and \$2.15 for hard wheat delivered at the pool depot. These new prices mean an increase of 14 cents per bushel over the prices of last year. Actually this increase is higher by about 4 cents, because the new prices apply to grain with a specific weight of 60 pounds per bushel instead of 62.4 pounds as previously.

DELIVERY OF GRAIN

As from October 1, the service of delivery of grain to the mills shall be under the control of the Minister of Corporations, who will use the facilities of the Industrial Federation of Millers and Alimentary Paste Makers. The Industrial Unions will compile each month a list showing the distribution among the mills of each province of the quota allotted for each province. This list, recommended by the Prefect, who is President of the Provincial Council of Corporations, will be transmitted to the Minister of Corporations before the 15th of each month. The Department of Corporations, after approving this list, will communicate it to the Minister of Agriculture, who in turn will give orders to the pools to deliver the grain. The Federation of Millers and Alimentary Paste Makers will advise the millers from which depot they will take delivery.

This new procedure seems to do away with the regulations in force until August 1, forcing the millers to keep in stock a quantity of grain corresponding to a month's production at 50 per cent of their capacity.

The millers cannot choose the grain they would prefer to mill. They may make a requisition, but must accept what grain the Consorzi have decided to deliver. It may be national or imported grain, hard or soft, Argentine, Australian, or Canadian wheat.

This trade method does away with speculation and the old-time wheat exchange does not influence the wheat market any more. The sole reason for the existence of grain brokers is one of distribution. Some have decided to leave the business, while others have chosen to remain. In Genoa the brokers have kept their exchange open, and for tradition's sake they gather together at four o'clock to talk things over and breathe the atmosphere of what used to be the scene of their former activity.

FLOUR FOR BREAD

Before July 26 the flour for bread making was composed of 80 per cent wheat flour in weight, plus 20 per cent of other flours. This 20 per cent had to be composed of 10 per cent corn flour in all cases, the balance to be of bean, rice, and other flours.

When the Italian authorities were satisfied that the 1938 wheat crop would be somewhat over 259,000,000 bushels, they reduced this addition of 20 per cent

to 10 per cent, which now must be entirely of corn flour. It is figured that 259,000,000 bushels plus 10 per cent will answer almost adequately the total local requirements.

TYPES OF FLOUR

Recently it was decided that only two types of flour would be manufactured and put on sale in Italy, instead of four types as previously authorized. These two types of flour are known as Type A and Type B.

Type A is of superior quality and its production may not exceed 10 per cent of the total production of flour in the kingdom. That is, only 10 kilos of wheat out of every metric quintal may be transformed into flour of Type A. The characteristics of this flour are: ashes, 0.40 per cent maximum; dry gluten, 7 per cent minimum; humidity, 14 per cent maximum; cellulose, 0.10 per cent maximum. It may be used for pastries, biscuits, grissini, dietetic bread, and bread for hotels catering to foreign tourists, but it must include the regulation 10 per cent of corn flour. Its production will be limited to the larger cities and it is understood that it will be very difficult to obtain bread containing this type of flour in smaller towns. It is forbidden to encourage the use of such bread. Consequently it may not be advertised in any way, nor may it be exhibited in shop windows. Any contravention of the law in these respects will be severely punished. On the other hand, to improve the quality of bread made of Type B flour premiums will be given to the bakers making the best bread.

The characteristics of Type B flour are as follows: ashes, from 0.71 to 0.80 per cent; cellulose, 0.35 per cent maximum; dry gluten, 10 per cent minimum; humidity, 14 per cent. It is the new standard for bread to be used by all classes of the population.

In both types A and B the corn flour which is added must have the following characteristics: ashes, 0.80 per cent maximum; cellulose, 0.80 per cent maximum; fat, 3 per cent maximum; humidity, 14 per cent.

MODIFICATION OF PLAN

Following representations from various sources, the Minister of Corporations decided to amend the foregoing plan for flour types. A certain quantity of flour may now be made of 100 per cent wheat flour, but the wheat necessary for this purpose will have to be included in the 10 per cent originally reserved for the making of Type A flour. This flour will be used for the making of the following products: flour and other foods for nursing babies, gluten paste, special bread for diabetics, and bread for hospitals and sacramental purposes.

For the production of this type of flour certain rules are laid down: (1) the Prefect in each province, on the basis of requests submitted by individual firms, will set monthly wheat quotas, the production of which will be entrusted to one or not more than two mills, depending on the importance of the province; (2) the Provincial Council of Corporations will exercise control of the distribution of this flour, which the mills will produce under authorization; (3) the monthly quotas will be reported to the department so that the destination of the flour can be followed closely.

BREAD REGULATIONS

For bread making, only soft wheat may be used and it is forbidden to sift out of the milling product any elements except those which may be required for by-products. The Minister of Agriculture in agreement with the Minister of Corporations may take possession of these by-products.

The mills are under very close control. The authorities know what quantity of wheat is delivered to each mill, and each mill must submit a monthly

production report. Even sales are under supervision, and the Minister of Agriculture has already announced that mills selling Type B flour only when the order also calls for delivery of a certain quantity of Type A flour must stop this practice.

In a loaf of bread weighing up to 2 ounces the humidity requirement remains unchanged at 26 per cent. For loaves weighing between 3½ and 9 ounces it has been increased to 30 and 34 per cent, and for those weighing from 21 to 36 ounces to 36 per cent.

PRICES

Prices of wheat, flour, and bread have been set for a period up to June 30, 1939. The following table shows the relative prices of wheat per bushel of 60 pounds delivered at the mill (not at the depot), and of wheat flour in the various provinces, which have been divided into six groups:—

Prices of Wheat and Flour

	Wheat (Soft) Basic Price for Grain weighing 60 Lbs. per Bushel with 1 Per Cent Foreign Matter	Flour	
		F.o.b. Mill, Net 15 Days, Packing Extra; per Barrel of 196 Lbs.	Type A Type B
Group 1	\$2.088	\$10.90	\$8.37
Group 2	2.10	10.96	8.43
Group 3	2.117	11.02	8.49
Group 4	2.13	11.07	8.55
Group 5	2.142	11.13	8.61
Group 6	2.16	11.18	8.69

PRICES OF BREAD

The prices of bread in Milan, included in Group 3, are as follows:—

Common bread made of Type B flour: rolls weighing less than 2 ounces, 5½ cents per pound; rolls weighing from 2 to 5 ounces, 5¼ cents per pound; rolls weighing from 5 to 7 ounces, 4·9 cents per pound; loaves weighing from 10 to 18 ounces, 4·65 cents per pound.

Special bread made of Type A flour: bread in any shape or form, 7·6 cents per pound; paste of semolina extra, 8·5 cents per pound; paste of semolina first quality, 7·6 cents per pound; paste “comune,” 5·7 cents per pound. For the making of alimentary paste, 100 per cent hard wheat flour may be used now, but the new prices, given above, represent an increase of 25 per cent for the Extra and First Quality grades.

EXPORTS

The exportation of wheat, wheat flour, and all kinds of flours, semolina, wheaten paste, and ships’ biscuits to foreign countries is prohibited. Italian statistics show that Italy exports huge quantities of flour to her colonies, but this is considered only as a sort of internal trade.

IMPORTS

The importation of wheat into Italy is subject to ministerial licence and all purchases are in the hands of a semi-official body called “Federazione Italiana dei Consorzi Agrari,” which is the only body empowered to place orders abroad, whether for internal consumption or for re-exportation in the form of flour. The importation of flour is also subject to licence. Hungary is practically the only country supplying flour to Italy. It can be easily understood that the “Battle of the Grain,” organized to make Italy independent of all foreign nations for her requirements of wheat, would end in defeat if the importation of important quantities of flour from abroad were permitted. The present tariff on wheat is 45 lire per quintal and on wheat flour 68·90 lire per quintal.

The following tables show the imports during 1933, 1934, 1936, 1937, and the first seven months of 1938 of hard wheat and soft wheat in short tons of 2,000 pounds and of wheat flour in barrels of 196 pounds. Figures for 1935 are not available. The figures are from Italian statistics:—

Imports of Hard Wheat

	1933	1934	1936	1937	(Jan.-July) 1938
		Short Tons of 2,000 Pounds			
Totals	106,700	117,132	70,643	15,194	3,674
Argentina	328	7,013	12,367	4,204	238
Canada	30,400	26,963	14,722	.....	.....
Chile .. . . .	.....	.....	1,687	.....	.....
Turkey .. . . .	.....	.....	.....	6,929	.....
Russia	46,533	31,009	.....	.....	.....
United States	25,670	36,940	28,552	.....	.....
Libya .. . . .	.....	.....	12,552	4,108	3,012
Others	3,769	15,202	.....	.....	.....

Imports of Soft Wheat

	1933	1934	1936	1937	(Jan.-July) 1938
		Short Tons of 2,000 Pounds			
Totals	405,505	399,042	517,882	1,808,125	190,997
Argentina	74,763	21,720	23,726	877,601	1,042
Australia	64,325	9,170	65,349	297,977	77,774
Bulgaria	22	356	18,581	57,759	53,514
Canada	34,004	20,375	14,174	37,894	3,642
Czechoslovakia .. . . .	.....	.....	.....	53,205	339
France .. . . .	.....	.....	19,011	.....	.....
Hungary	1,611	106,094	149,524	157,909	13,762
Iran .. . . .	.....	.....	.....	.....	6,574
Roumania	137	1	117,017	215,192	11,301
Russia	19,052	9,008	.....	.....	3,312
United States	201,893	188,627	55,594	71,395	10,280
Yugoslavia .. . . .	.....	5	53,421	38,394	62
Turkey .. . . .	.....	.....	.....	.....	4,577
Others	9,697	31,644	.....	.....	.....

Imports of Wheat Flour

	1933	1934	1936	1937	(Jan.-July) 1938
		Barrels of 196 Pounds			
Totals	191,173	94,235	9,217	45,634	46,156
Bulgaria	3,470	2,639	.....	.....	.....
Canada	69,711	17,353	.....	.....	.....
France	18,104	2,624	.....	1,834	110
Hungary	23,299	30,076	9,063	40,627	38,327
Russia	1,546	5,550	.....	.....	.....
United States	89,926	19,800	.....	.....	.....

CROP REPORTS FOR THE SCANDINAVIAN COUNTRIES AND FINLAND

RICHARD GREW, CANADIAN TRADE COMMISSIONER

NORWAY

Oslo, September 17, 1938.—The report of the Director of Agriculture on the condition of crops at the end of August states that the prospects for most crops have improved considerably. The hay crops have now been harvested and are reported to be heavy throughout the country, being 107 per cent of an average year in the case of cultivated fields and 106 per cent for hay from natural fields. The quality, however, is stated to be somewhat uneven. The total grain crops are reported to be as follows: spring wheat, 102 per cent of an average year; spring rye and barley, 101 per cent; autumn wheat and oats, 100 per cent; and autumn rye, 96 per cent.

The potato crop has suffered somewhat from the dry weather experienced during the last part of the summer, and dry-rot is reported to be quite prevalent

in most parts of the country. The total potato crop is now stated to be 98 per cent of an average year. The root crops are somewhat uneven, and in the northern districts considerable damage has been caused by noxious insects. The turnip crop is estimated at 96 per cent of an average year, and the swede crop at 97 per cent.

DENMARK

The report issued by the Danish Department of Statistics on September 5 on the condition of crops at the end of August states that most of the grain crops have now been harvested and the quality is reported to be quite good. The size of the various grain crops in percentages of an average year are as follows in the case of Jutland: wheat, 100; rye, 95; oats, 106; barley and mixed grain, 104. For the islands the corresponding figures are as follows: wheat, 106; rye, 99; oats, 109; barley and mixed grain, 108.

The root crops are reported to be slightly more satisfactory than was expected at the end of July owing to the abundant rainfall experienced during August. In Jutland the crop figures in percentages of an average year are: potatoes, 96; carrots, 95; beets, 94; swedes, 96; turnips, 93; and sugar beets, 96. For the islands the figures are: potatoes, 97; carrots, 95; beets, 93; swedes, 94; turnips, 93; and sugar beets, 94.

The final crop report for hay was published at the beginning of August, when the figures in percentages of an average year were given as follows: in Jutland, hay from cultivated fields 79 and hay from natural fields 82; on the islands, 84 and 86 respectively. The condition of the pasture fields at the end of August is not very satisfactory, being estimated at 89 per cent of an average year in Jutland and at 84 per cent on the islands.

SWEDEN

The crop report issued by the Swedish Central Bureau of Statistics on August 31 states that the crops of autumn-sown wheat are considerably above medium, while the autumn-sown rye yielded a medium crop. The spring-sown crops are reported to be of good quality on the whole, and as regards quantity they are stated to be slightly above medium for spring wheat, medium for spring rye, and considerably above medium for barley, oats, and mixed grain.

Potatoes and other root crops are all reported as yielding a medium crop. The hay crops are stated to be somewhat above medium for cultivated fields and medium for natural fields.

The following actual crop figures for the whole country have now been published, the 1937 figures being shown within parentheses: autumn-sown wheat 689,800 tons (578,600); autumn-sown rye, 389,600 tons (399,300); hay from cultivated fields, 5,371,200 tons (5,490,700); and hay from natural fields, 578,200 tons (561,800).

FINLAND

According to the most recent report issued by the Finnish Department of Agriculture at the end of August, most of the crops are now harvested, and in the case of autumn sowings the crops are medium for rye and somewhat above medium for wheat. The crops of spring-sown grains are reported to be somewhat above medium in the case of barley, oats, and mixed grain, and considerably above medium in the case of wheat.

Potatoes have suffered particularly from the drought in certain districts, and at present the total crop is expected to be medium. The same applies to the other root crops, which are expected to yield a total somewhat below medium. The harvesting of hay is now completed, and in the case of hay from cultivated fields the total crop is reported to be good as regards quantity but somewhat variable as regards quality. The total hay crop from natural fields is reported to be somewhat above medium.

ARGENTINE WHEAT ACREAGE, 1938

Mr. J. A. Strong, Canadian Trade Commissioner at Buenos Aires, writes under date September 20 that the Argentine Ministry of Agriculture issued under date September 16 the first official estimate of the acreage seeded this year to wheat and other cereals. The area in wheat is estimated at 20,015,100 acres—795,662 more than in 1937 and 2,134,101 acres and 912,565 acres more than the last five- and ten-year averages respectively.

The area in flax is 6,869,380 acres, or 153,202 acres less than in 1937 and 328,411 acres below the last five-year average. The acreages in other cereals, with the 1937 figures in parentheses, are as follows: oats, 3,360,560 (3,254,307); barley, 2,026,220 (1,942,453); and rye, 2,100,350 (2,184,364). The area in birdseed this year is 118,608 acres.

EXCHANGE CONDITIONS AND IMPORT CONTROL IN ECUADOR

S. G. MacDONALD, ACTING TRADE COMMISSIONER

Lima, Peru, August 29, 1938.—In May last, as a result of a serious foreign exchange position and unsatisfactory general economic conditions in Ecuador, efforts were made by the Government to alleviate the situation. An examination of customs returns showed that total imports had been heavy during the first quarter of the year, exceeding those for the same period of 1937 by about 60 per cent. During the same period prices abroad for Ecuador's important cacao crop were reduced, with resultant returns lower than in the same period of 1937. The unfavourable trade balance created by these two conditions was estimated at about 20 million sucres. Consequently, the Government decreed complete import control on May 19, the law being amended and strengthened on May 26.

By virtue of these decrees no importations are allowed into Ecuador except under permit issued by the Central Bank of Ecuador. Effectiveness is given the law by the provision that foreign exporters must be supplied with the corresponding import permit before the despatch of orders to Ecuador. Failure on the part of importers to obtain such permits may result in confiscation or re-export of the goods on arrival and the levying of severe fines.

EFFECT OF IMPORT CONTROL LAW

During the first week under the import control law foreign exchange transactions were difficult, but as time went on the situation eased to some extent. Early in June commercial banks sold exchange more readily to their preferred clients than during the last part of May, while the Central Bank issued exchange in limited amounts to cover the collections of the commercial banks. All quotations at the beginning of June were at rates higher than 13·80 sucres to the United States dollar (the more or less average rate in the several months prior to introduction of the import control law), but street quotations rose as high as 14·20 sucres to the dollar.

Later in the month the Central Bank's rates rose from 13·80 sucres to 14·50 sucres to the dollar, but exchange at the latter rate was obtainable only after searching inquiries were made as to the need therefor, and was issued only for goods of prime necessity. In the street the dollar was being sold at as high as 15 sucres and fears were expressed that a level of 16 sucres would shortly be reached even for bank transactions. The foreign exchange reserves of the Central Bank fell during the month to low levels, and at that time it was estimated that they would soon be depleted despite periodical shipments of metallic gold to the United States. In Guayaquil it was stated that applications for foreign exchange alone amounted to about 7,000,000 sucres.

IMPROVEMENT IN FOREIGN EXCHANGE SITUATION

During July there was a considerable change in the foreign exchange situation, with a resulting reduction in the number and extent of delays in commercial payments as compared with the previous month. Such delays as occurred were due to a scarcity of sucres rather than of foreign currencies. This fact, together with the general effect of the import control regulations, strengthened the exchange market, foreign exchange rates decreased slightly, and the dollar was being sold at the beginning of August at 14.40 sucres as compared with 14.50 sucres at the beginning of the previous month and in the latter part of June. The street rate was also reduced to the same level. In general, the import control measures have resulted in strengthening the position of the Central Bank, which is reported to be buying more foreign currency than it is selling. It is stated that the commercial banks also are limiting their foreign exchange sales to the volume of purchases. This almost complete turnover in the exchange situation in such a short period is indicative of the effectiveness of the import control measures taken in May.

Although at the end of June imports exceeded exports by less than 10 per cent (86,836,541 sucres as compared with 79,259,141 sucres), the Government planned to improve the Ecuadorean foreign trade position by granting import permits for each country up to an average of the corresponding imports during the past five years. However, the actual plan to be followed with respect to monetary and exchange measures is still rather obscure. Indicative of that fact is the treatment accorded a law dealing with operations of the Central Bank decreed early in August. On August 10 a new Government took office, and almost immediately thereafter the incoming Assembly vetoed the decree mentioned. It may be assumed, however, that exchange control as such is unlikely, that import control measures will continue for some little time, and that countries (including Canada) imports from which are now subject to a 50 per cent surcharge on normal rates of duty will continue to experience this difficulty in addition to that resulting from the import control measure, which in itself constitutes a strong barrier against sales to Ecuador except for articles of prime necessity.

BUSINESS CONDITIONS IN CENTRAL AMERICA

R. T. YOUNG, CANADIAN TRADE COMMISSIONER

El Salvador

Mexico City, September 20, 1938.—The first quarter of the second half of the year has not shown any appreciable improvement over the preceding periods. Business, ordinarily dull at this time of the year, has been duller than usual. No improvement is to be expected until the coffee crop begins to move in October. There is an optimistic feeling about the crop because of improvement in prices.

The exchange market has shown little activity, and all demands have been covered by the Central Bank, the sight selling rate remaining firm at colones 2.51 per United States \$1. Foreign exchange reserves held by the Central Bank on August 31 disclosed a big drop to U.S.\$1,480,998, while gold stocks were valued at colones 13,742,484.

Merchants are well stocked and there has been little buying from abroad, purchases being confined to basic necessities. Ready money has been scarce, due mainly to the past season's small coffee crop and low prices. Collections continue slow and credits tight.

Guatemala

(One quetzal equals \$1 United States currency)

Both imports and exports in the second half of the year have shown a tendency to decline. July was the first month in which imports, valued at Q1,375,068, were lower than in the corresponding month of 1937, when they were Q1,571,737. Last year they were higher than in any year since 1929. The high import figures during the first months of this year were apparently due to orders placed before the fall of coffee prices in November, 1937, so it is probable that imports for the remaining months of this year will remain below those of 1937. However, the economic situation appears generally sound and better than anticipated.

Collections are fair, but exporters are advised to extend credit only to firms of proved financial stability.

Honduras

In the Tegucigalpa area there was a slight improvement in business conditions in the second quarter. It was attributed to the payment of salaries to Government employees for the months of April and May. Merchants, however, appear to be somewhat pessimistic as to a continuance of the improvement.

In the Puerto Cortés and Tela districts business conditions appear favourable, but in the La Ceiba area they have been unsatisfactory. However, firms which have been overstocked have been reducing inventories, and better commercial conditions generally seem to be on the way. Collections are reported to be normal and satisfactory but credits continue tight. In the La Ceiba district they are slow and tight.

Imports have shown a slight improvement over preceding months. Banana shipments for the year up to August 31 were 1,765,591 stems as against 1,693,832 for the same period in 1937. Small quantities of citrus fruits were exported in July and August and heavy shipments should commence in October. For the year to August 31 there were 47,928 cases shipped as compared with 9,177 for the similar period of 1937. Of the total, 6,026 cases were sent to Canada, 36,655 to England, and the balance to Belgium and Panama.

TARIFF CHANGES AND CUSTOMS REGULATIONS

Australia

DEFERRED DUTY ON SCREW HOOKS, EYES, AND RINGS

The deferred duties under Item 186 of the Australian customs tariff—screw hooks, eyes, and rings—that were to have gone into effect on July 1, 1938, were further postponed until January 1, 1939. At present these commodities are free of duty under the British preferential tariff and pay 15 per cent ad valorem under the general tariff. The deferred duties are: free under the British preferential tariff and 26½ per cent ad valorem under the general tariff, with additional duty under both tariffs as present Australian exchange depreciation is lessened.

New Zealand

TARIFF DECISIONS

Decisions of the New Zealand Department of Customs as to the classification and rates of duty on articles regarding which question had been raised, include the following:—

Flying machine parts, viz: bolts, nuts, screws, studs, pins, rivets, washers, springs, thimbles, turnbuckles, ball bearings, and chain belting, specially manufactured for use in flying machines, and on declaration by a responsible official of a flying club or air transport company that they will be used only on flying machines, are free of ordinary duty but subject to 3 per cent ad valorem primage duty, under both British preferential and general tariffs (Item 448).

Timber, viz: wooden cores, hollow, for adding machine and similar paper rolls, on declaration by a manufacturer that they will be used by him only in the manufacture of paper rolls, are also free of ordinary duty but subject to 3 per cent ad valorem primage duty under both tariffs (Item 448).

Electrodes of carbon or graphite on declaration by a manufacturer that they will be used by him only in electric furnaces for metallurgical or chemical purposes, free of ordinary duty (3 per cent ad valorem primage duty) under the British preferential tariff, 25 per cent ad valorem (plus surtax of $22\frac{1}{2}$ per cent of duty) under the general tariff (Item 448). A former decision that "electrodes of carbon or graphite on declaration that they will be used only in electric steel furnaces" were free of duty from all countries is cancelled.

Power take-offs, for transmitting power from the gear-boxes of motor vehicles for industrial purposes; also power take-off attachments for tractors, for transmitting power to agricultural machines, etc., when imported otherwise than with a tractor as standard equipment therefor, are free of duty under the British preferential tariff, 20 per cent ad valorem when from "most-favoured nations," and 25 per cent ad valorem (plus surtax of $22\frac{1}{2}$ per cent of duty) under general tariff (Item 352).

Hair-clipping machines, electric, suited for barbers' use, including the electric motor incorporated in the handle, 20 per cent ad valorem under the British preferential tariff (plus surtax of $22\frac{1}{2}$ per cent of duty if from Canada or certain other British dominions), 40 per cent ad valorem from "most-favoured nations," and 45 per cent ad valorem (plus surtax of $22\frac{1}{2}$ per cent of duty) under the general tariff (Item 338(10)(b)). A former decision placing such machines under Item 353(6) at 20 per cent under the British preferential tariff, 30 per cent from Canada, and 50 per cent (plus surtax of $22\frac{1}{2}$ per cent of duty) under the general tariff is cancelled.

Razors, electric, including the electric motor incorporated in the handle thereof, and, in the case of battery-operated motor types the battery holder and battery supplied therewith, 20 per cent ad valorem under the British preferential tariff (plus surtax of $22\frac{1}{2}$ per cent of duty if from Canada or certain other British dominions), 40 per cent ad valorem from "most-favoured nations," and 45 per cent ad valorem (plus surtax of $22\frac{1}{2}$ per cent of duty) under the general tariff (Item 338(10)(b)).

Canadian goods under the items quoted above, accompanied by the prescribed certificate of origin and shipped in accordance with New Zealand regulations, are admitted under the British preferential tariff.

Federated Malay States

SALE OF FOOD AND DRUGS

Mr. B. C. Butler, Canadian Trade Commissioner at Singapore, reports under date August 22 that the Federated Malay States Government has passed a new enactment with respect to the sale of food and drugs. No important changes have been made in the standards for various foodstuffs already established by the Straits Settlements, although the new Federated Malay States legislation amplifies the regulations with respect to the handling and transport of certain specified foodstuffs. Copies of the new enactment are on file at the Department of Trade and Commerce at Ottawa and are available for inspection by interested Canadian firms on application.

Burma

IMPORTATION BY PARCEL POST

A British Burma notification dated August 13, 1938, prohibits the importation of dutiable goods by post otherwise than in a letter, packet, or parcel complying with the following conditions: (a) such letter or packet shall (i) bear on the front a declaration stating the nature, weight, and value of the contents of the letter or packet or (ii) be accompanied by a declaration as aforesaid either enclosed therein or fastened to the outside by a string tied crosswise, and shall in the former case bear on the front a label indicating that the letter or packet may be opened for customs examination; (b) such parcel shall comply with clause (i) of condition (a) except when the declaration referred to therein is sent separately attached to the parcel bills; and (c) the customs collector shall be satisfied that the nature, weight, and value of the contents of such letter, packet, or parcel are correctly stated in the declaration.

France

IMPORT QUOTAS FOR LAST QUARTER, 1938

Mr. Hereule Barré, Commercial Attaché in Paris, cables that quotas allotted to Canada by France for the last quarter of 1938 are as follows, in metric quintals of 220·4 pounds: cheese, 400; barley for breweries, 1,000; rolled oats, 3,000; apples, 5,280; sweetened biscuits, 14; tomato preserves, 60; preserved fish, other than salmon, 25; patent leather, 48; calf leather, 7·5; insulating board, 125; lead, 2,411; cultivators, 7·7; mowers, 16·5; other agricultural machinery, 101; cinematograph films, positive, 2·9.

(Details of the quotas for the third quarter of 1938 were published in *Commercial Intelligence Journal* No. 1797: July 9, 1938, page 65.)

Finland

NEW GRAIN LAW

Mr. Richard Grew, Canadian Trade Commissioner at Oslo, writes under date September 9, 1938, that owing to the fact that the Finnish wheat crop this year reached record proportions—so large that it cannot be absorbed by the domestic mills—the Finnish Government passed a law, effective September 15, with the object of controlling particularly the wheat and flour trade of the country so that the consumption of domestic wheat will be encouraged.

The principal provisions of this law make it compulsory for any flour mill using for milling purposes imported wheat and rye to mix with it domestic wheat and rye in fixed proportions to be determined at the beginning of each harvest season by the State Council. Similarly, importers of foreign wheat flour or rye flour are required to mix it, under Customs supervision, with domestic wheat flour and rye flour in fixed proportions. The proportions which have been fixed for the present harvest period, both for grain as well as flour, are two parts domestic grain or flour to one part imported grain or flour. These provisions do not apply to wheat flour imported by the State Granary. The milling percentage for domestic wheat and rye and the admixture percentage for domestic wheat flour and rye flour must not be increased during the harvest period, nor can the admixture percentage for domestic wheat flour and rye flour exceed the milling percentage for domestic wheat and rye.

The law is to remain in force until January, 1944.

Venezuela

CERTIFICATES OF ORIGIN

Mr. Francisco Pacanins, Consul General of Venezuela in Montreal, advises that, effective October 1, 1938, certificates of origin must be presented to the Venezuelan Consulate by exporters for all shipments of merchandise, both by freight and by parcel post, to Venezuela.

A special form has been prescribed for the certificate of origin, which is obtainable at any Venezuelan Consulate at 7 cents a copy. The form is in Spanish and all details must be made out in Spanish; explanatory notes in English are given on the back of the form.

The certificate must be prepared at least in quintuplicate. It must be signed by the duly authorized representative of the firm and then by the Board of Trade, Chamber of Commerce, Canadian Manufacturers' Association, or notary public of the respective locality. It must then be submitted to the Venezuelan Consul in Canada for final legalization. There is no consular fee for legalization of the certificate of origin. Consulates of Venezuela are located in Halifax, Montreal, Toronto, and Vancouver.

In the case of shipments from Canada to Venezuela exported through a port in the United States, the certificate of origin must be presented to a Venezuelan Consul in Canada.

FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING OCT. 3, 1938

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, October 3, 1938, and for the week ending Monday, September 26, 1938, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending Sept. 26	Nominal Quotations in Montreal Week ending Oct. 3	Official Bank Rate
Austria	Schilling	.1407	. . . . .	. . . . .	—
Belgium	Belga	.1001	\$.1708	\$.1701	3
Bulgaria	Lev	.0072	.0125	.0126	6
Czechoslovakia	Koruna	.0296	.0347	.0346	3
Denmark	Krone	.2680	.2143	.2154	4
Finland	Markka	.0252	.0212	.0212	4
France	Franc	.0392	.0268	.0268	3
Germany	Reichsmark	.2382	.4018	.4032	4
Great Britain	Pound	4.8666	4.8037	4.8275	2
Greece	Drachma	.0130	.0088	.0089	6
Holland	Guilder	.4020	.5383	.5473	2
Hungary	Pengo	.1749	.2993	.2985	4
	Unofficial		.1982	.1979	—
Italy	Lira	.0526	.0531	.0529	4½
Yugoslavia	Dinar	.0176	.0227	.0230	5
Norway	Krone	.2680	.2412	.2426	1½
Poland	Zloty	.1122	.1895	.1892	4½
Portugal	Escudo	.0442	.0435	.0438	4-4½
Roumania	Leu	.0060	.0073	.0074	3½
Spain	Peseta	.1930	.0521	.0516	5
Sweden	Krona	.2680	.2475	.2488	2½
Switzerland	Franc	.1930	.2260	.2294	1½
United States	Dollar	1.0000	1.0093	1.0068	1
Mexico	Peso	.4985	.1960	.1960	3
Cuba	Peso	1.0000	1.0087	1.0062	—
Guadeloupe	Franc	.0392	.0268	.0268	—
Jamaica	Pound	4.8666	4.8140	4.8375	—
Martinique	Franc	.0392	.0268	.0268	—
Other British West Indies	Dollar	1.0138	1.0008	1.0058	—
Argentina	Peso (Paper)	.4245	.3200	.3212	3½
	Unofficial		.2549	.2552	—
Brazil	Milreis (Paper)	.1193	.0591	.0588	—
British Guiana	Dollar	1.0138	1.0008	1.0058	—
Chile	Peso	.1217	.0523	.0522	3-4
	Unofficial		.0404	.0403	—
Colombia	Peso	.9733	.5719	.5705	4
Peru	Sol	.2800	.2019	.2014	6
Venezuela	Bolivar	.1930	.3079	.3121	—
Uruguay	Peso	1.0342	.6321	.6353	—
South Africa	Pound	4.8666	4.7980	4.8212	3½
Egypt	Pound (100 Piastres)	4.9431	4.9250	4.9438	—
China (Shanghai)	Dollar	. . . . .	.1736	.1655	—
Hongkong	Dollar	. . . . .	.2997	.3020	—
India	Rupee	.3650	.3581	.3605	3
Japan	Yen	.4985	.2796	.2814	3.29
Java	Guilder	.4020	.5380	.5477	—
Siam	Baht (Tical)	.4424	.4381	.4420	—
Straits Settlements	Dollar	.5678	.5571	.5608	—
Australia	Pound	4.8666	3.8430	3.8625	3
New Zealand	Pound	4.8666	3.8740	3.8937	2

The Dominion Bureau of Statistics has supplied the following note:—

Wide and erratic fluctuations featured the exchange situation during the week ending October 3; by Tuesday many currencies had reached the lowest level since late 1933. Markets then strengthened generally as the four-power conference convened, but subsequently showed an easier tendency. Sterling suffered the severest break since the formation of the tripartite agreement, and by September 27 quotations had dropped to \$4.7995, the lowest level since October, 1933. With the subsequent renewal of peace negotiations, market confidence was revived, and the pound rose steadily to \$4.8553 on September 30. However, it dropped back the next two days to \$4.8276 as control support was withdrawn. Most other European currencies moved with the pound. The French franc advanced from 2.69 cents to 2.71 cents between September 27 and October 1, but closed at 2.69 cents on October 3. The Netherlands florin, however, moved independently of sterling, rising to 55.04 cents on September 28, receding during the next two days, and then closing stronger at 54.73 cents. A sharp decline in the Canadian dollar accompanied the break in sterling, and premiums on United States funds had risen to 2 per cent by September 28. This was reduced to $\frac{9}{16}$ of 1 per cent by October 1, but had increased again to $\frac{11}{16}$ of 1 per cent on October 3.

TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

Secretary, Board of Trade—

Saint John, N.B.
Halifax, N.S.
Quebec, P.Q.
Montreal, P.Q.
Toronto, Ont.
Chatham, Ont.

Kitchener, Ont.
Brantford, Ont.
Stratford, Ont.
Woodstock, Ont.
St. Mary's, Ont.
Portage la Prairie, Man.

St. Boniface, Man.
Winnipeg, Man.
Vancouver, B.C.
New Westminster, B.C.

Secretary, Chamber of Commerce—

Sherbrooke, P.Q.
Kingston, Ont.
Oshawa, Ont.
Belleville, Ont.

Peterborough, Ont.
London, Ont.
St. Catharines, Ont.
Hamilton, Ont.

Victoria, B.C.
Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.—

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

Secretary, Canadian Manufacturers Association—

Secretary Canadian Manufacturers Association—

Toronto, Ont.
Montreal, P.Q.

Winnipeg, Man.
Edmonton, Alta.

Vancouver, B.C.
Victoria, B.C.

Director, Trade Extension, Victoria, B.C.

Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.

Commodity	No.	Location of Inquirer	Purchase or Agency
Miscellaneous—			
Neckties.....	505	Singapore, Straits Settlements.....	Agency.
Children's Dresses and Romper Suits.....	506	Singapore, Straits Settlements.....	Agency.
Rubber Gloves.....	507	Amsterdam, Holland.....	Agency.
Brush, Comb and Mirror Sets...	508	Melbourne, Australia.....	Agency.
Automobile Wires and Cables....	509	Perth, Australia.....	Agency.
Fish Oils for Industrial Purposes	510	Melbourne, Australia.....	Agency.
Zinc Oxide and Barytes for the Paint Industry.....	511	Durban, South Africa.....	Agency.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Montreal

To Liverpool.—Duchess of York, Oct. 14 and Nov. '11; Duchess of Atholl, Oct. 21; Duchess of Bedford, Oct. 28; Duchess of Richmond, Nov. 4—all Canadian Pacific; Antonia, Oct. 21; Andania, Nov. 4—both Cunard-White Star Line; Glitrefjell, Oct. 29; Svanefjell, Nov. 19—both Fjell Line.

To London.—Beaverdale, Oct. 14; Beaverford, Oct. 21; Beaverbrae, Oct. 28; Beaverhill, Nov. 4; Beaverburn, Nov. 11—all Canadian Pacific; Aurania, Oct. 14; Ascania, Oct. 21; Ausonia, Oct. 28; Alaunia, Nov. 4—all Cunard-White Star Line; Carmelfjell, Oct. 19; Tindfjell, Nov. 2; Ravnefjell, Nov. 16—all Fjell Line.

To Manchester.—Manchester Progress, Oct. 13; Manchester Citizen, Oct. 20; Manchester City, Oct. 27; Manchester Port, Nov. 10; Manchester Commerce, Nov. 17—all Manchester Line; Glitrefjell, Oct. 29; Svane fjell, Nov. 19—both Fjell Line.

To Southampton.—Montrose, Oct. 29; Duchess of Richmond, Nov. 24—both Canadian Pacific.

To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.—New York City, Oct. 17; Boston City, Nov. 4; Bristol City, Nov. 23—all Bristol City and Dominion Lines; Norwegian, Oct. 26; Dorelian, Nov. 12—both Cunard-Donaldson and Dominion Lines.

To Glasgow.—Athenia, Oct. 14; Delilian, Oct. 21; Letitia, Oct. 28; Sulairia, Nov. 4—all Donaldson-Atlantic Line.

To Newcastle and Leith.—Cairnvalona, Oct. 12; Cairnglen (also calls at Dundee), Oct. 19; Cairnesk, Nov. 2; Cairnmona, Nov. 9; Cairnross, Nov. 16—all Cairn-Thompson Line.

To Aberdeen and Hull.—Consuelo, Oct. 13; Bassano, Oct. 28; Kelso, Nov. 10—all Ellerman's Wilson Line.

To Dublin and Belfast.—Melmore Head, Oct. 9; Torr Head, Oct. 27—both Head Line (cargo accepted for Cork and Londonderry).

To Hamburg and Bremen.—Beaverbrae, Oct. 28; Beaverford, Nov. 25—both Canadian Pacific (do not call at Bremen); Augsburg, North German Lloyd Line, Oct. 21; Bochum, Hamburg-American Line, Nov. 18.

To Copenhagen, Gothenburg, Stockholm and Helsingfors.—Lagaholm, Swedish-American Mexico Line, Oct. 21.

To Norwegian Ports.—Glitrefjell, Oct. 29; Svane fjell, Nov. 19—both Fjell Line; Idefjord, Oct. 29; Randsfjord, Nov. 5—both Norwegian-American Line.

To Antwerp and Havre.—Beaverdale, Oct. 14 and Nov. 18; Beaverford, Oct. 21; Montrose, Oct. 29—all Canadian Pacific (do not call at Havre); August (does not call at Havre), Oct. 14; Flint 2 (does not call at Antwerp), Oct. 20; Hada County (does not call at Havre), Nov. 2; Brant County, Nov. 13—all County Line; Carmelfjell, Oct. 19; Tindefjell, Nov. 2; Ravnefjell, Nov. 16—all Fjell Line (do not call at Havre).

To Rotterdam.—Grey County, Oct. 10; Flint 2, Oct. 20; Lista, Nov. 6—all County Line; Carmelfjell, Oct. 19; Tindefjell, Nov. 2; Ravnefjell, Nov. 16—all Fjell Line.

To Marseilles, Genoa, Leghorn, Naples, Messina, Palermo, Gibraltar and Lisbon.—Capo Lena, Capo Line, Oct. 22 (will also call at Cadiz and/or Seville and/or Casablanca if sufficient cargo offers).

To St. John's, Nfld.—Anna (also calls at Harbour Grace, Bay Roberts, Carbonear and Port Union), Oct. 17; Mosna, Oct. 20 or 21; Imogene, Nov. 2—all Shaw Line (will call at other Newfoundland ports as cargo offerings warrant); Belle Isle, Newfoundland-Canada SS. Ltd., Oct. 21 (also calls at St. Pierre-Miquelon).

To Cornerbrook, Nfld.—New Northland, Oct. 10; Gaspesia, Oct. 19—both Clarke SS. Co.

To Puerto Rico, Barbados, Trinidad and Demerara.—Cornwallis, Oct. 13; Chomedy, Oct. 27; Colborne, Nov. 10—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To Hamilton, Nassau, Kingston and Belize.—Lady Somers, Oct. 12; Cathcart (calls at Kingston only), Oct. 21; Lady Rodney, Oct. 26; Cavalier (calls at Kingston only), Nov. 4—all Canadian National.

To Bermuda, St. Kitts, Antigua, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Heroy, Oct. 22; a steamer, Nov. 5—both Ocean Dominion SS. Corp. (call at Guadeloupe and Martinique if sufficient cargo offered).

To Santos and Buenos Aires.—Ravnaas (also calls at Rio de Janeiro), Oct. 12; Hektor (will call at Rio de Janeiro if sufficient cargo offered), Oct. 27; a steamer (will call at Rio de Janeiro if sufficient cargo offered), Nov. 9—all International Freighting Corp.

To Brisbane, Sydney, Melbourne and Adelaide.—City of Delhi, Montreal Australia New Zealand Line, Oct. 30 (will also call at Geelong).

To Auckland, Wellington, Lyttelton and Dunedin.—Kaipara, Montreal Australia New Zealand Line, Oct. 21.

To Cape Town, Port Elizabeth, East London and Durban.—Cochrane, Elder Dempster Lines Ltd., Oct. 30.

To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Madras, Rangoon, Calcutta and Singapore.—A steamer, Canada-India Service, Oct. 15.

To Manila, Hongkong and Shanghai.—Phemius, Blue Funnel Line, Oct. 20.

From Quebec

To Southampton.—Empress of Britain, Canadian Pacific, Oct. 22 and Nov. 5.

From Halifax

To Liverpool.—Newfoundland, Oct. 25; Nova Scotia, Nov. 12—both Furness Line; Manchester Producer, Oct. 13; Manchester Brigade, Oct. 31—both Manchester Line.

To London and Rotterdam.—Edam, Oct. 24; Binnendijk, Nov. 2; Tiradentes, Nov. 13—all Holland-America Line.

To Manchester.—Manchester Commerce, Oct. 9; Manchester Progress, Oct. 16; Manchester Citizen, Oct. 23; Manchester Regiment, Oct. 30—all Manchester Line.

To Newcastle.—Cairnvalona, Oct. 15; Cairnesk, Nov. 5—both Cairn-Thomson Line.

To Cardiff and Bristol.—New York City, Oct. 20; Boston City, Nov. 7—both Bristol City and Dominion Lines.

To St. John's, Nfld.—Fort Townshend, Oct. 10 and 24; Fort Amherst, Oct. 17 and 31—both Furness-Red Cross Line (also call at St. Pierre); Portia, Newfoundland Rys. and SS. Co., Oct. 12; Magnhild (also calls at St. Pierre and Newfoundland outports), Newfoundland-Canada SS. Ltd., Oct. 17; Newfoundland, Oct. 25; Nova Scotia, November—both Furness Line.

To Kingston, Jamaica.—Cavelier, Oct. 10; Cathcart, Oct. 24—both Canadian National.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Nelson, Oct. 20; Lady Hawkins, Nov. 3; Lady Drake, Nov. 17—all Canadian National; Maud, Oct. 12; Heroy, Oct. 27—both Ocean Dominion SS. Corp. (call at Guadeloupe and Martinique if sufficient cargo offered but not at Nevis or Montserrat).

To Puerto Rico, Barbados, Trinidad and Demerara.—Cornwallis, Oct. 17; Chomedy, Oct. 31; Colborne, Nov. 14—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To Santiago (Cuba) and Kingston (Jamaica).—Kirsten B., Oct. 19; a steamer, Nov. 2—both Packford & Black Ltd. (also call at Jamaican outports as cargo offers).

To Far East Ports.—Chinese Prince, Furness-Prince Line, Oct. 22; Silversandal, Oct. 4; Silveryew, Nov. 3—both Silver Line.

From Saint John

To Liverpool.—Manchester Producer, Oct. 10; Manchester Brigade, Oct. 31—both Manchester Line.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Nelson, Oct. 12; Lady Hawkins, Oct. 26; Lady Drake, Nov. 9—all Canadian National.

To Kingston and Jamaican Outports.—Crawford Ellis, United Fruit Co., Oct. 21 (cargo accepted for Caribbean, Central and South American ports with transshipment at Kingston).

From Vancouver

To Yokohama, Kobe and Osaka.—Hie Maru, Oct. 15; Heian Maru, Oct. 29; Hikawa Maru, Nov. 19—all Nippon Yusen Kaisha.

To Yokohama, Kobe, Shanghai, Hongkong and Manila.—Empress of Japan (calls at Honolulu), Oct. 14; Empress of Asia (calls at Nagasaki), Oct. 29; Empress of Canada (calls at Honolulu), Nov. 12; Empress of Russia (calls at Nagasaki), Nov. 26—all Canadian Pacific; Ixion, Nov. 3; Talthybius, Dec. 3—both Blue Funnel Line (call at Miike but not at Manila).

To Honolulu, Suva, Auckland and Sydney.—Niagara, Oct. 26; Aorangi, Nov. 23—both Canadian-Australasian Line.

To Manila, Iloilo, Cebu, Soerabaya, Samarang, Batavia, Colombo and Bombay.—Silverlaurel (calls at Belawan Deli, will also call at Singapore and Port Swettenham if cargo offers), Oct. 24; Hoegh Silverlight (calls at Saigon, Singapore and Persian Gulf ports, also at Port Swettenham and Belawan Deli if cargo offers), Nov. 1—both Silver-Java Pacific Line.

To Papeete, Auckland, Wellington, Dunedin, Melbourne and Sydney.—Limerick (calls at Lyttelton but not at Dunedin), Oct. 20; a steamer (does not call at Papeete), November—both Canadian-Australasian Line.

To Brisbane, Sydney, Melbourne and Adelaide.—Tolken, Oct. 10; Eknaren, Nov. 10—both Empire Shipping Co. Ltd.

To London, Liverpool and Rotterdam.—A steamer, North Pacific Coast Line, Oct. 15 (will call at Southampton if inducements offer).

To Antwerp, Hamburg and Bremen.—Weser, Nov. 1; Donau, Nov. 29—both North German Lloyd Line; Vancouver, Oct. 19; Oakland, Nov. 21—both Hamburg-American Line.

To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.—Wisconsin, Oct. 24; Barfleur, Oct. 31—both Empire Shipping Co. Ltd.

To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.—Fella, Oct. 11; Rialto, Nov. 6—both Empire Shipping Co. Ltd.

To Port of Spain (Trinidad) and Bridgetown (Barbados).—A steamer, Canadian Transport Co., November.

To Cape Town, Port Elizabeth, East London, Durban and Lourenco Marques.—Modjokerto, Nov. 5; Silverpalm, Dec. 6—both Silver-Java Pacific Line (call at Beira and Calcutta, will also call at Colombo and Madras if sufficient cargo offers).

To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.—Leikanger, Oct. 27; Evanger, Nov. 28—both Empire Shipping Co. Ltd. (will call at West Coast ports if sufficient cargo offered).

Note.—Firms who desire information concerning ocean and mail services may have their names placed on the mailing list of the Post Office Weekly Bulletin by applying to the Post Office Department.

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London: J. H. ENGLISH, Trade Commissioner, Canada House, Trafalgar Square, S.W.1. (Territory includes Home Counties, Southeastern Counties, and East Anglia.) *Cable address, Sleighing, London.*

London: W. B. GORNALL, Fruit Trade Commissioner, Aldine House, Bedford Street, Strand, W.C.2. *Cable address, Canfrucum.* (Territory—for fresh fruit only—includes United Kingdom, Norway, Denmark, Sweden, France, Holland, Belgium, and Germany.)

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Note.—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.

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COMMERCIAL INTELLIGENCE JOURNAL

Vol. LIX

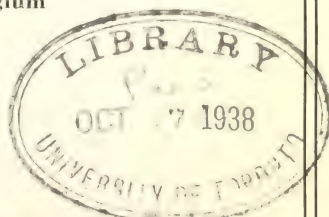
Ottawa, October 15, 1938

No. 1811



Window Display of Canadian Products, Office of the Association
Belgique-Canada at Brussels, Belgium

ISSUED BY AUTHORITY OF
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE
JAMES G. PARMELEE, DEPUTY MINISTER



CONTENTS

	Page
Mr. Butler to Visit Java	665
Market Conditions for Scrap Metal in the United Kingdom....	665
Macaroni Imports into the West of England, South Midlands, and South Wales	669
Trade of Northern Ireland in 1937	670
Bermuda Market for Canned Fruits and Vegetables	672
Trade Commissioners on Tour	674
Australian Experiments with Hemlock Butter Boxes.....	675
Business Conditions in India	678
Wheat and Flour Trade Regulation in Denmark	679
Trade of Haiti in 1936-37	684
Economic Conditions in the Dominican Republic, 1937	687
Argentina's Rubber Manufacturing Industry	689
Middle Asia Market for Apples	690
Japanese Spring Cocoon Crop	696
Tenders Invited: New Zealand	696
Tariff Changes and Customs Regulations	696
Foreign Exchange Quotations	699
Trade Inquiries for Canadian Products	700
Proposed Sailings from Canadian Ports	700
Commercial Intelligence Service	703

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Vol. LIX

Ottawa, October 15, 1938

No. 1811

MR. BUTLER TO VISIT JAVA

Mr. B. C. Butler, Canadian Trade Commissioner at Singapore, whose territory includes the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India, plans to visit the main cities of Java during December in the interests of Canadian trade with that part of Netherlands India.

Canadian firms wishing to have the Trade Commissioner conduct investigations in their behalf or to perform other services for them, in Java particularly or in Netherlands India generally, should communicate with him at once at Union Building, Singapore, Straits Settlements.

MARKET CONDITIONS FOR SCRAP METAL IN THE UNITED KINGDOM

London and Southeastern England

J. H. ENGLISH, CANADIAN TRADE COMMISSIONER

London, September 20, 1938.—A year ago, when production of steel in the United Kingdom was at a high level, there appeared to be every likelihood of a shortage of iron and steel scrap, and prices mounted rapidly. Concerted efforts were made to collect all available stocks, and, with a view to controlling the export of scrap to the Continent and conserving supplies for use in British steel mills, the Iron and Steel Federation, with the approval of the Government, instituted a strict control of imports and exports, even to the extent of establishing prices. This was effected through the Central Scrap Agency, which was set up for the purpose. The British Government assisted further by removing the duty on imports of scrap from foreign countries. Heavy contracts were entered into for the supply of iron and steel scrap, mostly from overseas and at high prices.

With the turn of the year (1937), however, there was an unexpected decline in industrial activity which reduced the immediate demand for scrap, so that supplies began to accumulate rapidly in the yards of importers in the United Kingdom and prices fell. At present steel works in Great Britain are unable to utilize all the scrap available in this country apart altogether from importations from overseas.

During the calendar year 1937 the total imports of scrap into the United Kingdom amounted to 950,853 long tons valued at £4,551,782. Imports by

months in that year and for the period January-July of 1938 are shown in the following table:—

Months	1937		1938	
	Tons	£	Tons	£
January..	35,214	113,328	187,953	928,410
February	22,704	76,874	135,897	651,647
March	28,862	100,478	104,775	522,480
April	45,628	200,800	61,747	279,590
May	77,477	320,261	24,620	113,404
June	121,280	530,529	42,369	181,651
July	161,559	837,067	50,960	251,356
August	117,788	562,869	.....	.....
September	144,044	725,074	.....	.....
October	73,409	370,186	.....	.....
November	55,896	285,834	.....	.....
December	76,868	370,733	.....	.....

SALES PROSPECTS

The output of pig iron and steel in the United Kingdom has, of course, a direct bearing on the demand for iron and steel scrap. The decline in production between July, 1937, and August, 1938, is shown in the following table:—

Production of Iron and Steel in the United Kingdom

	Pig Iron Tons	Steel Ingots and Castings Tons
July, 1937	729,300	1,059,200
October, 1937	769,600	1,133,600
January, 1938	761,100	1,081,400
April, 1938	661,000	938,600
May, 1938	633,900	957,000
June, 1938	541,500	776,100
July, 1938	507,800	683,200
August, 1938	443,000	658,900

The immediate outlook for sales of scrap metal in this market is not promising, although some of the leading dealers in London expect that the position will improve during the next few months. In any event the Central Scrap Agency will not be in the market for additional supplies for some considerable time, since accumulated stocks must be liquidated before new buying is undertaken. Consideration by the emergency committee of the federation of the schedule of steel scrap prices, which was due to expire on September 30, has been deferred until its meeting in October; the present scale will run until that date.

NON-FERROUS SCRAP

The situation with respect to non-ferrous scrap, on the other hand, appears to be more favourable, although the industry is in a depressed state. According to a number of the leading dealers, there is at present a fairly good demand for new brass clippings as well as for material for metallurgical treatment and for residues of tin and tin-bearing alloys. The demand for scrap copper and copper alloys, however, apparently exceeds available supplies. Prices for all these metals are, of course, governed by the ruling prices for the virgin metal.

In this regard it is understood that the general parity of non-ferrous scrap values in England is relatively below those in both Canada and the United States, with the result that it has recently proved rather unprofitable to export to the United Kingdom. Continental prices, however, are stated to be more attractive, and both ferrous and non-ferrous scrap is probably in greater demand there than in this country.

West of England, South Midlands, and South Wales

E. L. MCCOLL, CANADIAN TRADE COMMISSIONER

Bristol, September 13, 1938.—Due to the slowing down in the demand for finished material, steel works in this area are not purchasing scrap metals at present. Heavy receipts in completion of contracts made last year, with decreasing outward movement of finished goods, leaves the industry with sufficient scrap on hand to carry it until the end of the year. New orders, even for future delivery, are not being booked, and some works have made no purchases during the past five months. As a result of this year's recession in the amount of new business obtained by the steel industry, and of the consequent protective attitude the latter has been forced to adopt, large quantities of scrap are accumulating. It is estimated that imported supplies which were bought at 1937 prices, and nearly all of which has been delivered, will not be entirely consumed until the end of December.

PRICES

Steel works buy scrap from United Kingdom merchants according to a fixed schedule of prices drawn up by the British Iron and Steel Federation and the Central Scrap Agency. No. 2 steel scrap is specified to consist of "heavy wrought and steel scrap, free from alloys, cast iron, and other deleterious materials, not less than $\frac{1}{4}$ -inch thick, but may include properly cut heavy motor chassis frames in works furnace sizes." The delivered price which United Kingdom works have agreed to pay for this grade ranges, according to the location of the plant, from 59s. 6d. per ton in the Midlands to 69s. 3d. in South Wales West. With regard to shipments of scrap from Bristol to South Wales steel works, the merchant would receive at his own yard in Bristol about 56s. per ton for No. 2 scrap.

A Bristol merchant stated that prices for scrap can not go very much below present quotations, due to the high cost of handling. On the other hand, a South Wales merchant considered that prices should be reduced, provided, of course, such action would bring about renewed buying on the part of the steel companies. The South Wales merchant is in a favoured position, as his shipping costs per ton are 2s. 6d. as against 12s. for the Bristol firm.

The home scrap price schedule shows that prices in South Wales West for national scrap for all the specified categories except No. 1 are higher than in any other of the dozen localities in the United Kingdom mentioned in the schedule. These prices range from 71s. 3d. for No. 1 to 51s. for No. 15 delivered at works. For coastwise deliveries 3s. per ton is deducted for discharging and trucking to works. The general specifications of these two categories are as follows:—

No. 1.—Heavy steel scrap, free from wrought iron alloys and other deleterious material and not less than $\frac{1}{4}$ -inch thick, and in works furnace sizes.

No. 15.—Mixed cast iron borings and steel turnings, free from corrugated lumps and dirt; bushy turnings.

While the bulk of the scrap purchased consists of steel, there is a small proportion of wrought and cast iron used by the steel works. There are two grades of the latter, light and heavy, which are described in specifications Nos. 12 and 13 of the schedule, as follows:—

No. 12.—Heavy cast iron scrap, in works furnace sizes, free from burnt, not less than $\frac{1}{4}$ -inch thick.

No. 13.—Light cast iron in works furnace sizes, free from burnt.

CONSUMING AREAS

While the consuming areas mentioned in the schedule are ten in number, including such a well-known city as Sheffield, nevertheless it is estimated that the

bulk of the ferrous scrap collected in the United Kingdom goes to South Wales and Scotland. The major portion collected south of Birmingham, which is not exported from the country, goes to South Wales. In the main the freight rates to Scotland from points south of Birmingham make the purchase of scrap from this southern area non-competitive with other sources of supply which Scotland has at hand.

CAST IRON AND WROUGHT IRON SCRAP

While prices for purchase of scrap ferrous metals by steel works are controlled and must conform to an agreed schedule, the sale of cast and wrought iron scrap to other consumers is not controlled. Scrap wrought iron moves to the Midlands area, with Birmingham as its centre, where it is made into chains and a multitude of other wrought iron products. Cast iron finds its most ready sale at the nearest local foundry; the number of foundries throughout the country is great.

The uncontrolled price of cast and wrought iron is about 70s. per ton, delivered to consumer's plant. With regard to cast iron, this price refers to cupola size for foundries, which specify delivery in pieces of not more than $1\frac{1}{2}$ cwts.

NON-FERROUS SCRAP

There seems to be a slowing down in the sales of non-ferrous scrap, although from one quarter a slight improvement over the past few weeks has been reported. Consumers are still wary of making large purchases owing to the unsteady state of the market. The demand for certain grades of non-ferrous scrap is poor, but for other kinds for which a ready sale is available supplies are unobtainable in large quantities. This appears to be due to the collectors holding stocks for better prices.

At Birmingham, brass rod scrap has been sold recently at £23, £25, and £27 per ton, but the quantities have been limited. Prices of copper scrap are practically the same. Clean copper electrolytic wire is quoted at an average price of about £41 per ton, but heavy copper scrap at £38 to £39 per ton is sold in small quantities only.

Conditions in the non-ferrous market appear to be more or less on a par with the ferrous scrap situation, except that steel works bought more heavily in advance and are stocked for some months to come. A Bristol merchant's prices confirm this statement with some slight differences. For example, electrolytic copper, which is the best class of scrap, as it is clean, free of tin, etc., and is ready for the crucible, is quoted at £40 per ton on truck Bristol. The bulk of this scrap goes to the Birmingham area. The following are also quoted on truck Bristol: new lead 15s. 2d., scrap 13s.; zinc spelter 13s. 5d., scrap 10s.; brass scrap sold locally to foundries £25 per ton; heavy gun metal scrap £32 to £33.

Some purchases have been made of non-ferrous scrap, but only to meet immediate requirements, and prices are several pounds per ton under actual value.

North of England

BLAIR BIRKETT, ACTING TRADE COMMISSIONER

Liverpool, September 13, 1938.—The principal markets for scrap metals in the North of England are centred in the North Midlands and northeast coast areas. While Liverpool and Manchester are not prominent centres for this trade, one or two brokers and importers engaged in it are located in these cities. The principal ports of entry for imports are in South Wales and on the east coast.

Owing to slack conditions throughout industry, the market for scrap metals of all types, particularly iron and steel, is dull and no improvement is expected for some time.

FERROUS SCRAP

The record production of steel in 1937 resulted in a demand for iron and steel scrap which exceeded the supply available, and imports reached high figures. This situation continued into 1938, but by the end of April it had dwindled to negligible proportions. Present conditions show little change. The much-reduced activity in the steel trade has resulted in large supplies of scrap being stored at the steel works and in merchants' yards. The liquidation of these stocks must of necessity precede any active resumption of business. Little or no interest is evident in import trade, and prices have reached a rather low level. This situation will change only when the demand for finished steel shows a marked improvement.

At present heavy cast iron is quoted in the Northern centres at about £3 8s. per ton delivered. Inquiries for this type, however, are few. Cast iron is quiet at £3 5s. per ton, and heavy wrought iron can be purchased at about £3 15s. Best heavy steel is quoted at £3 7s. 10d. to £3 9s. 6d. Good machinery scrap is offered at £3 10s.

NON-FERROUS SCRAP

Although the market for non-ferrous scrap is reported dull, it is not so in the same sense as is that for iron and steel. Whereas the demand for iron and steel scrap varies directly with production in the steel trade, non-ferrous scrap, by reason of its many varieties, is required for the manufacture of a much wider range of products. It may be said, therefore, that there is always a demand for non-ferrous scrap. This market under present conditions, however, favours the buyer. Though business can always be done at a price, stocks of non-ferrous scrap are heavy, and any large-scale movement is not expected until industrial conditions improve.

Spot prices in the North are as follows: Heavy yellow brass, £23 to £24 per ton; light brass, £20 per ton; fire box copper (cut up), £39 to £40; light copper, £32; copper wire, £38; brazing copper, £30; gun metal, £36 to £37; and zinc, £8 to £10.

Despite inactivity in the trade, a market for imported non-ferrous scrap exists at the following prices c.i.f. Liverpool: electro-copper bare wire, £38 per ton; light copper, £31; heavy machinery copper, £36; machinery brass, £33 to £34; light brass, £19 to £20; good lead, £13 to £14; hard spelter, £10; and zinc dross, £8.

MACARONI IMPORTS INTO THE WEST OF ENGLAND, SOUTH MIDLANDS, AND SOUTH WALES

E. L. McCOLL, CANADIAN TRADE COMMISSIONER

Bristol, September 27, 1938.—The quality of Canadian macaroni in the United Kingdom market brings prestige to the Dominion. Due to its popularity there are inquiries from time to time from distributors of food products who wish to act as direct representatives of a Canadian manufacturer.

The consumption of Canadian macaroni in the West of England, South Midlands, and South Wales is increasing. It is roughly estimated by members of the trade at 60 per cent of the total, nearly all of which is imported. Only a small quantity is manufactured in the United Kingdom. The rise in imports from Canada, however, points to an approaching saturation stage as the use of macaroni is declining. Yearly imports into this area through the port of Bristol from 1934 to 1937 inclusive averaged 214 tons, and for the first eight months of 1938 were 134 tons. Of this year's imports 80 tons came from Canada, 30 tons from Belgium, and 22 tons from France. A considerable quantity of macaroni comes into South Wales and the South Midlands from London.

IMPORTS

The yearly imports in hundredweights into the United Kingdom from all sources from 1932 to 1936 inclusive were: 1932, 108,024 cwts.; 1933, 102,519; 1934, 97,235; 1935, 98,018, and 1936, 82,614. About $1\frac{1}{2}$ per cent is re-exported. Imports from Canada increased from 16,570 cwts. in 1932 to 45,249 cwts. in 1936. Those from Belgium rose from 1,902 cwts. to 10,743 cwts. during the same five years. Imports from France have been declining, but in 1936 were still at the substantial figure of 20,951 cwts.

According to the Dominion Bureau of Statistics, exports from Canada to the United Kingdom for the twelve months ended March, 1938, amounted to 5,592,571 pounds, valued at \$312,845. For the previous twelve months the amount was 4,766,077 pounds, valued at \$251,195.

TESTING SAMPLES

When prices and appearance of a new brand of macaroni offered to a prospective agent are attractive, samples are then frequently subjected to a cooking test. This is expected to bring out all the best qualities of a pure semolina macaroni, unless the manufacturer has given information in advance that ordinary flour has been used.

PACKING

Macaroni is sold retail both in loose form and in cartons. Steamship companies, hotels, restaurants, boarding schools, and a fair proportion of housewives, buy the loose variety. The greatest demand for the cartons is in the better class grocery shops.

The more common size of box for loose macaroni contains 28 pounds net. Its dimensions vary according to the variety or shape of the contents.

Argentine macaroni is on sale, although official statistics do not yet record any imports. It is offered in several kinds of packages ranging from "short cut" macaroni packed in double sacks of 1 cwt. net at 26s. per cwt., to cellophane wrapped packets of "Egg Noodles" in $40\frac{1}{2}$ kilo cases at 64s. 6d. per cwt. Both prices are ex wharf, duty (10 per cent ad valorem) paid. One carton marked "Semolina" is quoted at 39s., while the same kind of carton marked "Flour" is quoted at 32s. 6d.

PUBLICITY

While there may not be one family in ten using macaroni, there are nevertheless many persons in England who like it and give it an important place in their household budget. It would seem desirable to sound out the trade as to what kind of informative publicity would bring about an increase in the use of this commodity. One firm of brokers has suggested a display of cooking, accompanied by the distribution of recipes, at the food exhibitions which are held from time to time in this area.

TRADE OF NORTHERN IRELAND IN 1937

JAMES CORMACK, CANADIAN TRADE COMMISSIONER

Belfast, August 31, 1938.—The recently published Board of Trade returns for 1937 show an increase last year over the calendar year 1936 in the values both of imports and exports of Northern Ireland. The comparative totals were: imports, £57,115,000 and £51,618,000; exports, £54,358,000 and £48,026,000. Of these totals the 1937 trade through Belfast comprised roughly 90 per cent. Londonderry accounted for half of the balance, the total trade through that port being valued at £6,591,000.

PRINCIPAL IMPORTS

Each of the main classes of imports had moderate increases. Totals of each main class for 1937, with 1936 figures in parentheses, were: food, drink and tobacco, £16,501,000 (£14,069,000); raw materials, £8,182,000 (£7,570,000); manufactured articles, £30,952,000 (£28,808,000); live stock, £1,480,000 (£1,171,000).

Nearly two-thirds of these imports are credited to the United Kingdom. The value of the direct sea-borne trade from other countries doing trade of a million sterling was as follows: Argentina, £3,038,000; Belgium, £1,880,000; Canada, £1,200,000; Australia, £1,000,000. While third in this list, it is safe to say that Canada ranks next to the United Kingdom as general supplier of Northern Ireland. The Argentine trade is all wheat and meat and the large Canadian indirect trade consigned through and from stocks held in the United Kingdom, if duly credited to Canada, it is estimated, would double the value of the direct trade.

PRINCIPAL EXPORTS

Except for live stock, which showed a big increase, exports also rose moderately. Values of main groups of imports were: food and drink, £8,598,000 (£8,518,000); raw materials, £1,594,000 (£1,411,000); manufactured articles, £31,575,000 (£27,963,000); shipping, cordage and tobacco, £7,935,000 (£6,410,000); live stock, £4,656,000 (£3,724,000).

Almost all of these exports moved via the United Kingdom, although the United States is credited with £2,682,000 of direct trade, Ireland with £2,000,000, Canada with £260,000, Germany with £254,000, and Belgium with £231,000.

IMPORT COMMODITIES

The following table gives the quantities and values of commodities, likely to be of special interest to Canadian exporters, imported into Northern Ireland in 1937 and 1936. The weights are gross weights and the values estimated values. They are from figures compiled by the Northern Ireland Harbour authorities.

	1937 Cwts. of 112 Pounds	1936 Cwts. of 112 Pounds	1937 Pounds Sterling	1936 Pounds Sterling
Grain and flour	14,769,591	14,557,276	5,524,380	3,970,151
Wheat	2,692,956	2,666,789	1,382,722	965,580
Wheat products	1,064,774	1,051,799	745,972	533,315
Feeding stuffs for animals	4,089,520	2,738,260	1,274,099	698,306
Meat, poultry and game . . . . .	.....	.....	478,141	482,039
Bacon	41,346	36,000	152,442	126,027
Hams	18,188	23,549	78,013	90,610
Meat, preserved	36,644	37,771	113,764	106,539
Fish, fresh, dried, preserved	162,016	152,768	296,688	291,757
Fruit and vegetables	605,951	617,832	526,433	580,715
Textiles . . . . .	.....	.....	11,149,731	10,397,676
Apparel . . . . .	.....	.....	3,114,262	2,980,180
Chemicals, drugs and paints . . . . .	.....	.....	965,814	978,206
Artificial manures	480,644	549,920	113,247	130,212
Oils, fats, soaps . . . . .	.....	.....	1,328,592	1,080,029
Hides and skins	15,462	18,652	39,214	35,854
Earthenware, glass and abrasives . . . . .	.....	.....	1,296,218	1,283,620
Metals and metal manufactures . . . . .	.....	.....	6,382,774	5,690,555
Manufactures of wood . . . . .	.....	.....	769,561	810,283
Paper, printed matter, cardboard, etc . . . . .	.....	.....	1,869,758	1,724,419
Paper making materials	412,220	398,860	249,899	182,817
Live stock from Great Britain . . . . .	.....	.....	46,116	40,682
Live stock from other countries . . . . .	.....	.....	1,433,920	1,130,087
		Loads		
Wood and timber	192,363	177,722	929,306	699,375

BERMUDA MARKET FOR CANNED FRUITS AND VEGETABLES

D. S. COLE, CANADIAN TRADE COMMISSIONER

New York, September 14, 1938.—Since Bermuda is unable to meet the demands of a comparatively large tourist trade from its small agricultural acreage, the colony is dependent to a considerable extent on imported canned fruits and vegetables. The fresh products are only available during certain seasons of the year, so that canned goods must be imported in the winter months.

DISTRIBUTION OF IMPORT TRADE

Details of imports of canned fruits and vegetables by countries of origin for individual varieties are not available, but the general Bermuda government figures of imports for the years 1935 to 1937 inclusive are as follows, sterling values being converted into Canadian currency at the rate of \$5 to the pound:—

Canned Fruits

	1937		1936		1935	
	Packages No.	Value \$	Packages No.	Value \$	Packages No.	Value \$
Canada	5,923	23,915	2,147	8,440	3,675	14,585
United Kingdom	588	3,250	241	1,580	367	2,370
United States	6,049	28,770	4,070	23,230	4,058	19,650

Canned Vegetables

	1937		1936		1935	
	Packages No.	Value \$	Packages No.	Value \$	Packages No.	Value \$
Canada	22,282	56,975	11,484	39,390	14,804	44,145
United Kingdom	651	1,675	611	2,240	598	2,130
United States	3,783	18,210	5,518	22,230	4,309	16,915

As shown by the foregoing figures, imports from Canada of canned fruits have almost trebled in value from 1936 to 1937, and an increase of approximately 50 per cent is shown in canned vegetables from the Dominion, while shipments from the United States of canned vegetables have decreased.

EXPORTS FROM CANADA TO BERMUDA

Canadian statistics of exports to Bermuda for the years 1935 to 1937 inclusive show in greater detail the trend of Canadian trade. Figures for shipments from the Dominion to Bermuda of canned fruits and vegetables are as follows:—

	1937		1936		1935	
	Lbs.	\$	Lbs.	\$	Lbs.	\$
Fruits n.o.p.	48,390	5,361	86,050	8,095	133,938	10,772
Beans.	290,062	15,916	179,420	9,462	222,117	10,969
Tomatoes.	271,064	13,458	185,784	8,868	131,385	6,322
Vegetables n.o.p.	490,249	31,392	315,842	19,377	310,852	18,232

Exports of Canadian canned beans and canned tomatoes have increased substantially during the period 1935-37, particularly the latter.

UNITED STATES EXPORTS TO BERMUDA

According to United States government statistics, exports from that country to Bermuda of individual items under the heading "canned fruits and vegetables" were as follows for the past three years, figures for 1937 being preliminary:—

	1937		1936		1935	
	Lbs.	\$	Lbs.	\$	Lbs.	\$
Apples and sauce	7,238	477	3,426	250	6,234	400
Apricots	7,116	630	5,479	515	10,455	1,068
Cherries	5,238	824	3,525	370	5,815	760
Loganberries	314	35	720	64	490	45
Peaches	43,199	3,320	30,614	2,212	31,994	2,372
Pears	24,443	1,989	18,557	1,380	19,321	1,414
Other canned berries	2,881	369	5,077	670	.....	.....
Other canned fruits	8,754	960	18,627	2,058	9,254	1,029
Asparagus	16,091	3,441	12,600	2,475	10,409	1,803
Beans (baked pork and beans)	13,126	743	20,178	941	16,471	1,138
Corn	10,814	926	15,935	1,227	12,078	1,168
Peas	12,646	1,118	25,771	2,328	12,813	1,387
Tomatoes	12,515	772	24,591	1,620	22,873	1,532
Other canned vegetables . .	35,879	3,083	84,075	6,017	50,977	5,355

MARKET REQUIREMENTS AND PRICES

Some details of market requirements for Bermuda, with prices c.i.f. Hamilton, are as follows:—

Gallon Apples.—The chief demand is for No. 10 tins, suitable for the hotel and restaurant trade. Canadian supplies are competitive with those from the United States, prices ranging from \$4.25 to \$5 per dozen, dependent on quality.

Peaches and Pears.—Canadian suppliers have an advantage of from 6 to 10 cents per dozen over United States exporters owing to their products being assessed at the British preferential rates. California pears, 1938 crop, No. 2½ tins, are being offered at from \$1.90 to \$2.05 per dozen, and No. 10 tins at from \$7.10 to \$7.85 per dozen. Peaches range in price from \$1.65 per dozen for No. 2½ tins Standard quality to \$1.75 per dozen for Choice. Peaches in No. 10 tins are quoted around \$5.50 per dozen Standard quality and \$6 upward for Choice quality. The No. 10 size is used almost exclusively for hotel and restaurant demand.

Cherries.—Owing to the large crop this year as compared with 1937, prices of bulk cherries have dropped; tinned cherries, No. 2½, are offered at \$2.40 per dozen and upward as compared with prices last year of approximately \$3.45 per dozen. United States offerings range in size up to No. 10 tins, which are quoted at from \$7.50 to \$8.50 per dozen.

Raspberries and Strawberries.—The 1938 prices for strawberries are considerably below those of the preceding year, and this is reflected in canners' offers. New York offerings of strawberries in syrup, No. 2 tins, range from \$2.65 per dozen up to \$3.15 per dozen for some old crop offerings. Raspberries in syrup, No. 2 tins, are in about the same price range as strawberries, some offerings having been as low as \$2.30 per dozen.

Blueberries.—The chief demand for blueberries is in No. 2 tins, prices from New York sources being approximately \$2 per dozen in water and \$2.50 per dozen in syrup, c.i.f. Hamilton. Canadian blueberries are finding an excellent market in Bermuda and enjoy the major portion of the trade.

Asparagus.—Until 1937, Canadian tinned asparagus was almost unknown on the Bermuda market, but a fairly substantial trade has now been built up. Californian 16-ounce square tins are priced at approximately \$2.65 per dozen c.i.f. Hamilton and No. 2½, or 31-ounce tins, at \$3 per dozen.

Beans and Beets.—Canada supplies the bulk of the imports of tinned beans and beets, the demand being governed by the quantity of fresh supplies available from New York and other sources. The price range is rather wide for beets, offerings having been made at from \$1 to \$1.50 per dozen for No. 2 tins sliced and at \$2.50 for whole beets. Cut beans in No. 2 tins are quoted from New York at \$1.35 per dozen.

Corn.—Quality and prices of Canadian and United States canned corn are about equal, with a slight preference on the part of certain consumer demand for United States pack. Prices are about \$1.35 per dozen, No. 2 tins.

Peas.—Canada is the chief source of supply for canned peas, the bulk of the imports being sold in No. 2 tins, the wholesale price of which is approximately \$1.35 per dozen.

Tomatoes.—Italian pack tomatoes have in the past been favoured in Bermuda owing to excellent quality and the fact that the United States pack is less solid. Shortage of supplies, however, has altered the trade considerably, and importers of Canadian canned tomatoes speak very highly of both the canned product and tomato juice. New York prices c.i.f. Hamilton are: No. 1 tins, 55 cents per dozen; No. 2 tins, 85 cents per dozen; and No. 2½ tins, \$1.35 per dozen.

BERMUDA TARIFF AND PREFERENCES

Imports into Bermuda of canned or bottled fruits are dutiable at 5 per cent ad valorem under the British preferential and 20 per cent ad valorem under the general tariff. The duties on canned or bottled vegetables are 10 per cent and 25 per cent ad valorem under the preferential and general tariffs respectively. Imports from Canada are, of course, subject to the preferential rates.

Fresh Frozen Fruits

As reported previously, there is a fair volume of frozen fruits sold in Bermuda, chiefly of one well-known United States brand. Retailers in Hamilton and other parts of Bermuda stock these frozen fruits, but only a certain number of the grocers are equipped with refrigeration suitable to handle this trade. There is an excellent opportunity in Bermuda for Canadian packers interested in the market possibilities for these products.

TRADE COMMISSIONERS ON TOUR

Mr. J. C. Macgillivray, Canadian Trade Commissioner at Berlin, Germany (whose territory includes Czechoslovakia and Poland); and Mr. J. L. Mutter, Canadian Trade Commissioner at Johannesburg, South Africa (whose territory includes the Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland), are visiting the principal industrial centres of Canada in the interest of Canadian trade with their respective territories. Their itineraries are as follows:—

Mr. Macgillivray

Montreal and district... Oct. 20 to 28
Quebec and Levis... Oct. 31
Halifax and Stewiacke... Nov. 2 and 3
Kentville, Wolfville and
Bridgetown... Nov. 4 and 5

St. John and Black's
Harbour... Nov. 8
Toronto and Weston... Nov. 11 to 18
Kitchener... Nov. 21
London and Ingersoll... Nov. 22

Mr. Mutter

Montreal and district... Oct. 17 to 29
Ottawa and Carleton
Place... Oct. 31
Renfrew and Pembroke... Nov. 1
Brockville, Kingston and
Pictou... Nov. 2
Oshawa, Bowmanville and
Cobourg... Nov. 3

Orillia, Gravenhurst and
Huntsville... Nov. 4
Toronto and district... Nov. 7 to 19
Guelph... Nov. 21
Kitchener and district... Nov. 22 to 24
London and district... Nov. 25 and 26
Paris and Brantford... Nov. 28
Hamilton, Simcoe and
Winona... Nov. 29 and 30

Firms who wish to be brought in touch with the Trade Commissioners should communicate: for Toronto, with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other centres, with the respective Board of Trade or Chamber of Commerce.

AUSTRALIAN EXPERIMENTS WITH HEMLOCK BUTTER BOXES

L. M. COSGRAVE, CANADIAN TRADE COMMISSIONER

Sydney, September 10, 1938.—To test the efficacy of Canadian hemlock lumber in the carriage of butter to overseas destinations two of the largest butter exporting companies in Australia recently arranged, in conjunction with the Commonwealth Department of Commerce, an experimental shipment of approximately 10,000 boxes, carried in one chamber per steamer from Australia to London. This shipment left Sydney on February 24. Upon arrival in London it was subjected to a close and careful examination, and a full report covering all phases, including possible timber taint, was prepared by the Overseas Farmers' Co-operative Federations Limited.

This report definitely indicates that hemlock butter boxes may be used with confidence, provided they are properly sprayed, or that unsprayed boxes are lined with a suitable parchment and foil. It is of exceptional interest to Pacific Coast shippers of hemlock since only New Zealand white pine or Australian sprayed hoop pine can be officially used for export butter boxes at the present time.

The experimental shipment consisted of five different classes of butter and from the detailed report the experiments appear to have been completely successful. Except in one instance, and that only slightly, the methods adopted seem to have overcome wood taint that would unquestionably have affected the butter.

PROTECTION AGAINST WOOD TAIN

Between the two methods, viz., spraying versus parchfoil, the report of the Overseas Farmers' Co-operative Federations Limited states that, apart from considerations of expense, the use of parchfoil type liner apparently gave the most efficient results from the point of view of eliminating the possibility of wood taint and also of protecting the general quality of the butter itself. Considerable attention was paid to the method of wrapping the butter in the parchment liners, and according to the report the protection, with one exception, was fully effective and particularly well done.

The report states further that the Federations' representative paid two visits to the steamer to observe the opening of the hold and the breaking of the bulk and reported conditions extremely satisfactory. When the hold was opened there was no odour or taint that would in any way affect other butters, and on re-examination after some 1,200 boxes had been removed the disturbance of the bulk had not in any way released wood taint or odour. The hold was finally examined when only 1,000 boxes of the 10,000 remained to be discharged and even then was in sweet condition, indicating that the presence of hemlock boxes even among other types of wood would not have any prejudicial effect.

DETAILS OF EXPERIMENT

The details of the report, covering the outturn by each of the five butter factories which contributed to this experimental shipment, were briefly as follows:—

BUTTER PACKED IN UNTREATED HEMLOCK TIMBER AND LINED WITH PARCHFOIL

The boxes presented an attractive appearance, were of good colour and carried well. On outturning the butter the inside of the boxes gave off a strong wood odour that would unquestionably have tainted the butter without the protection of parchfoil.

The wrapping of the butter in parchfoil was particularly well done. The overlap provided at the corners of the final wrapping in size of 12-inch by

48-inch apparently afforded complete protection. The quality of the parchfoil used is reported as quite good although made of heavier parchment than in some of the other shipments examined.

The Federations' representative further reports that, apart from the question of wood taint, under the protection of the parchfoil the butter showed no sign whatever of any surface discoloration and was found to be of very attractive quality, clean, fresh, and completely free of wood taint.

BUTTER PACKED IN TREATED HEMLOCK TIMBER AND LINED WITH ORDINARY
PARCHMENT

The boxes in this experiment were attractive in appearance, of good colour, and carried satisfactorily. When the butter was outturned the interior of the boxes was closely examined. There was a faint odour of wood as contrasted with the heavy smell sometimes associated with other types of boxes, such as pine, was at first noticed. Close examination of the interior surfaces showed that the spraying was effectively done in the centre of the boards but petered out appreciably to the outer edges which were almost bare of coating.

This particular consignment indicated that the question of spraying must be closely watched and supervised. The butter was well wrapped in parchment and had been protected by the overlapping edges provided. Despite this precaution there had been a penetration of grit, which had settled on the edges, though the wrapping in general protected the butter. In only two of the boxes examined did the butter reveal traces of slight wood taint on the edges, the opinion of the examiner being that the wood taint arose solely from the defective coating.

Apart from the factors associated with this particular experiment, the examiner's report indicated that the butter in this shipment had gone flat with a tendency to tallowy flavour and greasy texture, showed surface discoloration, and was apparently of fading quality.

BUTTER PACKED IN TREATED HEMLOCK TIMBER AND LINED WITH ORDINARY
PARCHMENT

As in the preceding experiment with the same type of spray and parchment, the hemlock boxes on arrival were clean and attractive, of good colour, and had carried well.

The outturn of the butter showed interiors of boxes to be well and evenly covered with spray, though a number of the interior surfaces were rough and would possibly have been somewhat unsatisfactory had not the surface coating been well applied. No trace of wood odour in the inside of the boxes was noticeable after removal of the contents.

Similar to experiment No. 2, apart from the factors associated with the experiment, surface discoloration was noticeable when the butter was unwrapped, though in general the quality of the butter seemed to have stood up well.

BUTTER PACKED IN UNTREATED HEMLOCK TIMBER, LINED WITH PARCHFOIL

Again hemlock boxes were reported bright, attractive and of good colour, and to have carried extremely well. On outturning, the interior of the boxes gave off a strong woody smell that would obviously have tainted the butter if unprotected. In this experiment there was a different procedure in the wrapping of the butter. The 12-inch by 48-inch liner had been placed round the butter first and the side pieces of 15 inches by 15 inches had then been added. The result was that the overlap on the side pieces stood out in

every instance as a $\frac{3}{4}$ -inch flap. With the other experiments these 15-inch by 15-inch pieces had been placed on first and the overlaps had then been held tightly to the butter by the 12-inch by 48-inch liner.

However, this arrangement had apparently permitted dust to collect around the edges of the boxes, and these projecting flaps had led dust to the edges of the butter. There was also a large accumulation of grit on the butter itself.

An examination of the butter failed, however, to reveal any trace whatever of wood taint. The Federations' examiner specially mentioned that this particular shipment showed a high-grade butter with full freshness, no sign of surface discoloration, and the interior of the butter under the iron showed no variation from the quality visible on the outer surfaces.

BUTTER PACKED IN UNTREATED HEMLOCK TIMBER, LINED WITH PARCHFOIL

The result in this experiment was similar to that of No. 4 as regards the appearance of the hemlock boxes. Again the interior of the boxes gave forth a strong woody smell, which obviously would have affected the butter unless protected. The parchfoil used in this case was of a lighter quality than that used in the other shipments. The foil was probably the same weight but the parchment surfaces appreciably lighter.

It is worthy of note that the weight of the wrap did not in any way affect the result of the experiment. This point is of particular interest to Canadian manufacturers of parchment and foil since the samples submitted to New Zealand and Australia from Canadian sources are a lighter weight parchment than has been supplied by other overseas manufacturers.

These experiments will be of interest to all butter exporters and hemlock suppliers, since the whole experiment constituted a regular commercial shipment of substantial volume over the longest route from country to country, both in point of time and mileage, and involved a wide range of climatic conditions.

FURTHER EXPERIMENTS

Further experiments are under way with both Canadian hemlock and Canadian parchment. The type of the latter is selected parchment interlined with aluminium foil of light weight but close texture and having particularly effective adhesion between the parchment and the foil.

These experiments will include commercial storage in Australia over a lengthy period. They should complete the tests being carried out by leading butter organizations in Australia regarding both land and sea storage.

GOVERNMENTAL ACTION

Since the submission of the foregoing reports to the Commonwealth Government, an official announcement has been made to the effect that, notwithstanding the satisfactory outcome of the trial shipment, no definite decision will be made pending inquiry and report by the Commonwealth Tariff Board in respect to existing supplies of Queensland hoop pine and the effect on Australian secondary industry of approval for inclusion of hemlock timber for the manufacture of export butter boxes. It is understood that the proposed Tariff Board inquiry will be conducted at an early date.

Considerable difference of opinion exists in Australia regarding available future supplies of Australian timber suitable for butter boxes required for the export trade, although it is generally conceded that every effort must be made to reduce the present cost of existing supplies.

BUSINESS CONDITIONS IN INDIA

PAUL SYKES, CANADIAN TRADE COMMISSIONER

(One rupee equals approximately \$0.36 Canadian)

Calcutta, September 15, 1938.—Official indices of business conditions in India show a general upward tendency at the end of the first half of the year. This has been ascribed to a large extent to an improved tone in the United States but it is also a natural reaction from the unsatisfactory situation during the preceding twelve to fifteen months.

MARKETS

Stock exchanges and money markets have reflected increasing confidence. Several of the leading speculative issues recorded marked appreciation during the latter part of June. There was also an increase in the price of most principal commodities. Quotations on raw and manufactured jute, raw cotton, groundnuts, linseed, sugar, and wheat all showed decided improvement towards the close of the half-year.

INDUSTRY

The cotton-manufacturing industry has suffered from several serious strikes and an unusually dull market. Production has been above average but orders are scarce and it appears that liquidation of stocks on hand may be tedious and costly. In the jute industry there has been a large accumulation of stocks with some increase in prices. Regulation by the Bengal Government of working hours in all jute mills, it is anticipated, will lead to a considerable improvement in the welfare of the industry. The iron and steel trade records a considerably higher output, less imports, and greater exports for the first half of 1938 than during the corresponding period of last year. Coal production has improved, although prices on several grades have fallen off slightly. Tea output and exports show substantial improvement over last year. Production in other leading industries, on the average, has been satisfactorily maintained.

AGRICULTURE

The monsoon has been severe in several parts of eastern India and agricultural production has been hampered by rains and floods. In general, however, the more important crops have been up to or above average and the agricultural industry as a whole has had a good half-year. Prices have shown comparatively few fluctuations except for declines in the case of rice and raw cotton.

FOREIGN TRADE

India's foreign trade during the first three months of the present fiscal year has shown a serious drop from the same period in 1937. Exports have fallen off by Rs.138,000,000 and imports by Rs.61,220,000, increasing an already adverse trade balance.

There have been increases in exports of tea, raw tobacco, and groundnut cakes, but these gains have been offset by declines in a long list of typical Indian exports. Among the latter, raw cotton, raw jute, gunny bags and cloth, wheat, raw wool, skins, and cotton piece-goods are the most important. The principal increases in imports have been in petroleum, grey cotton piece-goods, and cotton machinery, and the chief decreases in rice, raw cotton, iron and steel sheets and plates, rayon yarn and piece-goods, hardware, and kerosene.

Imports from Canada declined from Rs.3,172,317 in the period April to June, 1937, to Rs.2,014,293 in the same three months of 1938, while exports fell off from Rs.3,899,526 to Rs.2,741,390.

THE OUTLOOK

Responsible opinion in India has laid emphasis on the decided upward swing in stock and commodity markets at the close of the half-year. There has been hesitancy about forecasting future developments but it is believed that, failing deterioration in the international situation, India may expect a moderate improvement in general economic conditions.

WHEAT AND FLOUR TRADE REGULATION IN DENMARK

RICHARD GREW, CANADIAN TRADE COMMISSIONER

[One Danish krone (100 ore) equals approximately \$0.215 Canadian; one metric ton equals 2,204 pounds]

Oslo, September 16, 1938.—The present regulations governing the wheat and flour trade of Denmark are based on the Danish Grain Law of December 22, 1937, which went into effect on January 1, 1938, for a period of two years, as reported in *Commercial Intelligence Journal* No. 1775 (February 5, 1938), page 183.

Prior to January 1, 1938, the trade in grain and feeding stuffs was regulated by the Grain Law of April 7, 1936, which, on account of the extremely low prices for grains in the world markets at that time, provided for a system of taxes by means of fixing prices for different types of grain above the c.i.f. price, the difference being collected and distributed to the Danish grain growers in accordance with certain rules and regulations. Subsequently world prices gradually advanced until the c.i.f. prices were higher than those originally fixed by the Grain Law. As a result, no taxes could be collected, and by a series of amendments the taxes on the various grains mentioned in the Grain Law were abolished.

PROVISIONS OF THE GRAIN LAW

The present Grain Law follows in a general way the law of April 7, 1936, and taxes have again been imposed on foreign grains. The law, however, does not make any distinction between hard and soft wheat nor are there any provisions affecting wheat flour. In the former law the rate of duty on both wheat and wheat flour was fixed in accordance with the degree of hardness, but this principle proved to be somewhat unworkable.

According to the present law the importation of grains and feeding stuffs is free of all restrictions except those contained in the law itself. It is necessary for all importers of grain and feeding stuffs to submit to the State Grain Office on the fifteenth and last day of each month a statement covering all contracts made with foreign countries during the preceding half-month. Such statements are to be made in good faith and submitted on special forms provided by the State Grain Office.

The taxes have been fixed so that the prices c.i.f. Danish ports, including taxes, shall be as follows in kroner per 100 kilos: wheat and barley, 14; rye and maize, 13.50; oats and mixed grain, 13.

These prices are to be increased by 10 ore on January 1, 20 ore on February 1, 30 ore on March 1, and 40 ore on April 1 during both years the law is in force. The increase is to remain in effect until September 1 of each year, when prices will again be reduced to those mentioned above. The c.i.f. price shall be the lowest for each type of grain of good quality. The purpose in fixing the prices on these grains is to compensate Danish producers in case the world market prices should fall below the level fixed by the law. The taxes are to be raised or lowered when the prices of grain increase or decrease, but only after

a week has elapsed and the c.i.f. price has altered by at least 25 ore per 100 kilos.

TAXES ON OTHER PRODUCTS

If any of the grains mentioned in this law are imported crushed, coarsely ground, malted, milled, in the form of groats or similar products, corresponding taxes will be fixed by the Minister of Agriculture and Fisheries. Similar taxes may be fixed on other products which, in the opinion of the Minister of Agriculture and Fisheries, can be used as feeding stuffs instead of the above-mentioned grains.

The tax on maize will vary according to the relation between the prices of maize and pork, at present approximately 1 to 10. With a rise in the price of pork in relation to the price of maize, the tax on maize will be proportionately increased, and vice versa, when the change varies by more than half a point within four consecutive weeks.

The taxes are to be collected by the Customs on the clearance of the goods according to the rates in effect on the day of clearance. The proceeds of the tax will go to a fund under the administration of the Minister of Agriculture and Fisheries, which will be distributed among all owners of farms having a land value of 10,000 kroner or less. A farm is considered to mean a property run on agricultural lines having an area of at least 1.2355 acre ($\frac{1}{2}$ hectare) and a land value of at least 500 kroner. The proceeds, after deductions for expenses, will be distributed in a sliding scale as soon after September 1 of 1938 and 1939 as possible.

The law also provides that when grain or grain products are exported from Denmark permission may be granted, under certain conditions, to the exporter to import a corresponding quantity of feed grain subject to a reduced tax.

GRAIN COMMITTEE

In order to assist in the carrying out of the regulations contained in this law, it is provided that a Grain Committee shall be formed consisting of a chairman appointed by the Minister of Agriculture and Fisheries and six members, of which one each will be appointed by the Danish Co-operative Farmers' Association, the Danish Co-operative Cottars' Association, the co-operative feed firms, the Danish Grain and Feed Importers' Co-operative Association, the Association of Danish Trade Mills, and the Co-operative Bakers' Association.

ADDITIONAL LEGISLATION

The Minister of Agriculture and Fisheries, in conjunction with the Minister of Trade, Industry, and Shipping, and after joint deliberation with the Agricultural Council, is authorized to issue further regulations to control the importation of grain and grain products, as well as feeding stuffs, and to prohibit the export of the same products when it is considered expedient.

In this connection the Minister of Agriculture and Fisheries issued a decree on August 26, 1938, which went into effect immediately, whereby the importation or exportation of wheat and rye, both ground and unground, to and from Denmark was prohibited unless permission has been granted by the Government Grain Office. This measure was primarily taken owing to the fact that Denmark harvested large crops of good quality of both wheat and rye. While the decree allows the importation of wheat and rye with the permission of the Government Grain Office, it is not expected that permission will be granted in the near future.

EXCHANGE CONTROL LAW

With regard to wheat flour, no duties or taxes are now levied, and the only restriction at present in force is that the importation of flour is subject to the

As far as Canadian wheat is concerned, a considerable proportion is purchased either in London or New York, and as a result the figures quoted in the previous table do not give a true picture of the quantity of wheat which is imported from Canada. It should also be remembered that during 1934, 1935, and 1936 the United States wheat crop was not sufficient to meet domestic requirements. In all probability, therefore, imports of wheat from the United States were almost entirely of Canadian origin. As the United Kingdom is the principal wheat-importing country in the world, Danish imports must be of supplies purchased in that country, although shipments have been received direct from country of origin. A considerable portion of Danish imports from the United Kingdom are thought to be wheat of Canadian origin. It is also likely that the balance consists mainly of re-exports of Canadian and Argentine wheat.

FEED WHEAT

A further point to be remembered in connection with the accompanying table is that the quantities of wheat imported do not consist entirely of milling wheat. A considerable portion is low-grade wheat imported for feeding purposes, particularly for the poultry industry. Unfortunately, the import statistics do not differentiate between feed wheat and wheat for milling purposes, but for 1936 it is stated in Danish production statistics that 188,700 tons of imported wheat were used for milling purposes. The quantity of feed wheat varies greatly from year to year, depending on the domestic harvest of feeding stuffs.

As regards imports from Germany, there is a considerable trade between Hamburg and the smaller Danish ports on the west and south coasts. It is frequently more convenient to purchase small quantities of a few hundred tons from Hamburg rather than from Copenhagen, which serves as a distributing centre for the north and east coast ports. Most of the imports from Hamburg are of wheat that has been held in the free port and is re-exported in small parcels.

It will be noted that a considerable reduction in the imports of wheat has occurred during the past year, the figure being the lowest since the year 1930. The principal reason for the reduction is the large crop that was harvested during the 1937 season. It should also be remembered that in 1937 the United States was again a wheat-exporting country, while the exportable surplus in Canada was smaller than for many previous years. On this account, the total quantity as credited to the United States cannot be regarded as entirely of Canadian origin.

DANISH PRODUCTION OF WHEAT

The following table shows the acreage sown to wheat in Denmark, as well as the yield in metric tons, which has also been reduced to bushels on the basis of 60 pounds to the bushel:—

Year	Acreage	Production	
		Tons	Bushels
1930..	249,077	278,000	10,210,940
1931..	259,025	273,600	10,049,328
1932..	248,284	299,300	10,993,289
1933..	260,836	314,200	11,540,566
1934..	280,468	349,600	12,840,808
1935..	311,927	399,300	14,666,289
1936..	295,672	306,600	11,261,418
1937..	319,117	368,000	13,554,533

During the eight-year period there has been a steady increase in the acreage sown to wheat, although in 1936 the acreage declined by over 16,000 acres as compared to the previous year. The total increase between 1930 and 1937 amounts to just over 70,000 acres. As regards production, it will be noted that the yield for 1936 was roughly 3,400,000 bushels less than for the previous year and is smaller than any harvest since 1932, although the acreage was greater

than any previous year with the exception of 1935. The harvest for all grains during 1936 was below average, and wheat was no exception. For 1937 the largest crop during the period under review was harvested.

WHEAT CONSUMPTION

While it is possible to show the total consumption of wheat in Denmark by adding the production and import figures, it is not possible to ascertain the quantity of wheat that is used for human consumption, as large quantities of low-grade wheat are imported for feeding purposes.

The following table, however, shows the total consumption of wheat in Denmark for all purposes:—

Year	Imports Tons	Production Tons	Consumption Tons
1930	146,098	278,000	424,098
1931	397,080	273,600	670,680
1932	296,353	299,300	595,653
1933	299,416	314,200	613,616
1934	360,741	349,600	710,341
1935	365,062	399,300	764,362
1936	243,271	306,600	549,871
1937	172,558	368,000	540,558

Comparing the import and production figures, it will be noted that the former has varied considerably, while production has increased at a fairly steady rate. This is probably due to the fact that, in certain years, the crops of feeding stuffs have not been up to normal, and hence additional imports are required, of which wheat for feeding purposes has been an important item.

IMPORTS OF WHEAT FLOUR

The following table shows the quantity of flour imported into Denmark from the principal sources of supply during the years 1931 to 1937 inclusive, together with countries of origin:—

Imports of Wheat Flour into Denmark

Countries of Origin	1931	1932	1933	1934	1935	1936	1937
	Figures in Metric Tons of 2,205 Pounds						
Total	67,999	43,894	35,732	21,940	15,693	8,426	8,457
Germany	2,544	601	1,236	1,211	34	21	20
Great Britain	1,488	17,942	23,562	15,341	14,889	8,290	8,387
Soviet Russia	779	2,936	57	.....	.....	.....	.....
France	3,525	871	1,051	144	78	9	3
Canada	14,154	9,170	8,076	4,406	585	44	25
United States	43,312	12,032	1,238	801	93	59	20

It will be noted that imports of flour have declined to negligible quantities as compared to 1931. In addition, the direction of the trade has changed to a noticeable extent. Previously, Canada and the United States were the principal sources of supply, but during the past five years imports have been chiefly from the United Kingdom, which in 1937 shipped more than 99 per cent of the total imports, although imports from that country have declined considerably from the 1933 figures.

The decline in the imports of flour has been made up to a great extent by the increased production of Danish flour, as shown by the following figures: 1930, 108,800 metric tons; 1931, 109,300; 1932, 123,200; 1933, 148,500; 1934, 146,200; 1935, 157,000; 1936, 165,700; 1937, 161,900 tons.

Between the years 1930 and 1937 imports have declined by 62,766 tons, while domestic production has advanced by 53,100 tons. To a great extent the policy of issuing licences for flour imports has reacted in favour of the domestic milling industry, and Denmark is now practically self-sufficient in so far as flour is concerned.

TRADE OF HAITI IN 1936-37

F. W. FRASER, CANADIAN TRADE COMMISSIONER

(One gourde equals 20 cents United States currency)

Kingston, Jamaica, August 6, 1938.—The report of the Fiscal Representative of Haiti in respect of the twelve months ended September 30, 1937, shows a considerable increase in total imports as compared with 1935-36, but a decrease in exports. Imports in 1936-37 were valued at 46,075,660 gourdes and exports at 44,854,450 gourdes as compared with 37,920,626 gourdes and 47,238,594 gourdes respectively in 1935-36. Total foreign commerce increased in value, however, by almost 6,000,000 gourdes, since the import trade exceeded that of the preceding year and the decline in shipments of coffee, Haiti's principal export staple, was largely offset by increases in respect of other items and by a rise in the price of coffee.

GOVERNMENT REVENUE

Thus, whereas government revenues derived from duties on exports were 3,307,781 gourdes less in 1936-37 than in 1935-36—due entirely to the small coffee crop gathered during the former period—the revenue from duties levied on imports rose by 3,188,914 gourdes to 20,659,893 gourdes. Internal revenue receipts were 269,246 gourdes more than in 1935-36. Despite a poor coffee crop, government revenues from all sources in the fiscal year under review were only 149,693 gourdes less than the 34,598,364 gourdes collected in the preceding year, when an excellent coffee crop had been harvested.

This was not, however, entirely due to the gains in the import trade and to the increase in exports of commodities other than coffee. To balance its budget the Government was obliged to increase duties and taxes. An increase in the tax on cigarettes produced most of the necessary extra internal revenue. Duties on imported gasoline were raised by 0.05 gourde per gallon, and the surtax on import duties from 5 per cent to 10 per cent. Government expenditure in 1936-37, totalling 35,033,437 gourdes, exceeded revenue receipts by 584,765 gourdes—a substantial reduction from the deficit of 2,033,209 gourdes recorded at the end of the preceding fiscal year. The small deficit in 1936-37 was met entirely from the Treasury's cash resources.

DIRECTION OF TRADE

The following table shows the value and percentages of Haiti's import and export trade by principal countries during the fiscal years ending September 30, 1935, 1936, and 1937:—

	1935		1936		1937	
	Gourdes	Per Cent	Gourdes	Per Cent	Gourdes	Per Cent
Total	41,161,621	100.00	37,920,626	100.00	46,075,660	100.00
France	2,259,257	5.49	1,996,165	5.26	1,121,078	2.43
United Kingdom	3,770,925	9.16	4,287,708	12.63	8,205,856	17.81
Canada	805,994	1.96	890,681	2.35	972,160	2.11
Other British Empire	220,108	0.29	329,530	0.87	364,512	0.75
United States	19,914,238	48.39	21,416,082	56.47	23,491,902	50.98
Japan	7,270,260	17.66	2,297,701	6.06	3,217,661	6.98
Belgium	833,099	2.02	806,678	2.13	1,270,961	2.76
Denmark	113,815	0.28	125,468	0.33	105,669	0.23
Germany	2,483,781	6.04	2,474,380	6.53	3,249,615	7.05
Italy	491,738	1.19	305,189	0.81	485,778	1.06
Other countries	2,998,406	7.52	2,991,044	6.56	3,590,468	7.84

Exports

	1935		1936		1937	
	Gourdes	Per Cent	Gourdes	Per Cent	Gourdes	Per Cent
Total	35,629,205	100.00	47,238,594	100.00	44,854,450	100.00
France	14,090,222	39.55	22,296,202	47.20	7,315,532	16.31
United Kingdom.. . . .	7,956,910	22.33	7,130,759	15.10	7,243,690	16.15
Canada.. . . .	170,005	0.47	351,599	0.74	290,955	0.65
Other British Empire	27,161	0.15	84,155	0.15	82,474	0.18
United States.. . . .	4,299,679	12.07	6,727,449	14.24	12,501,754	27.87
Japan	867,870	2.44	709,522	1.50	936,881	2.09
Belgium	3,115,393	8.74	4,747,353	10.05	5,625,493	12.54
Denmark	2,243,838	6.30	2,835,597	6.00	2,085,963	4.65
Germany	1,322,980	3.71	1,037,436	2.15	1,871,423	4.17
Italy.. . . .	831,690	2.33	313,619	0.67	3,646,737	8.13
Other countries	703,457	1.91	1,004,903	2.20	3,253,548	7.26

The most noteworthy changes in the direction of Haiti's import trade were the heavy increases in purchases from the United Kingdom, the considerable increases of those from the United States, Japan, Belgium, and Germany, and the decline in those from France. Canada and Italy showed moderate gains. British Empire countries supplied 20.67 per cent of the total imports in the period under review. Although the value of imports from the United States was greater in 1936-37 than in 1935-36, the percentage was appreciably lower.

The decline in imports from France was due to the fact that during more than half of the fiscal year French merchandise was subject to the Haitian maximum tariff, and imports from that country had almost ceased. After the exchange of notes in April, 1937, whereby Haiti agreed to give French goods the benefit of her minimum tariff, imports from France quickly recovered. Nearly half of Haiti's purchases from France were received during the last four months of 1936-37, and in the last two months thereof France's share of the total import trade had returned approximately to normal. It is unlikely that consumption of French goods in Haiti will greatly diminish because the former preferential tariff rates are no longer in effect. France sells Haiti chiefly luxury articles and specialties, used by a relatively small percentage of the people to whom price is of secondary account.

The decline in imports from Japan since 1934-35, which consist chiefly of textiles, was due to the enactment in that fiscal year of a law establishing a maximum tariff of double the then existing duties applicable to imports from countries that, like Japan, were buying only negligible quantities of Haitian produce.

As regards exports, the United States supplanted France in 1936-37 as Haiti's chief customer. Haitian sales to the United Kingdom, Belgium, and Germany increased moderately, and those to Italy notably so as compared to 1935-36, while those to France slumped heavily. This abrupt change occurred after France, in April, 1936, had denounced her commercial convention with Haiti.

IMPORTS

The total value of imports in 1936-37, as stated above, was 46,075,660 gourdes as compared with 37,920,626 gourdes in the preceding fiscal year. This gain is attributed to the heavy surplus (9,317,968 gourdes) of exports over imports in that period, which created purchasing power that was subsequently applied to the purchase of foreign goods. Importing was further sustained in the latter part of 1936-37 by prospects of a good coffee harvest in the subsequent crop year.

Thus Haitian business in 1936-37 made up some of the leeway of the preceding twelvemonth, when importing had been temporarily retarded by a number of factors, chief among which was the denunciation of the Haitian-French commercial treaty, that created some business uncertainty throughout 1936; and

the Haitian law regulating retail trade, which necessitated a period of commercial readjustment.

Of the rise in import values in the fiscal year under review, amounting to more than 8,000,000 gourdes, cotton piece-goods accounted for 76 per cent, gasoline and kerosene for 8 per cent, and soap for 4 per cent. United Kingdom exporters substantially increased their share of Haiti's trade in textiles, which, together with foodstuffs, represented 54.6 per cent of the total imports in 1936-37. About half of the food imports usually consists of wheat flour, which is shipped from New York, but it is known that Canadian hard wheat processed in the United States forms a substantial part of this flour. Smoked and pickled fish is also an important item in the foodstuffs category.

The gain in values was general throughout the list of other commodity groups excepting foodstuffs, which remained about stationary (although quantities declined in 1936-37 below those of the former year); liquors and beverages; household utensils; and chemical and pharmaceutical products—in all of which small declines occurred.

The increased gasoline imports do not indicate wider consumption of this article, but resulted merely from the receipt of heavy stocks for storage, for which extensive facilities are available. Imports of motor vehicles into Haiti have remained stationary during the past four years.

IMPORTS FROM CANADA

Haiti's imports from Canada in 1936-37 totalled 972,160 gourdes in value, or 2.11 per cent of the total, as compared with 890,681 gourdes (2.35 per cent) in the preceding fiscal period. They consisted chiefly of pickled or smoked fish (441,458 gourdes); salted or dried fish (293,802 gourdes); canned fish (3,600 gourdes); wheat flour (116,560 gourdes); potatoes (25,427 gourdes); pickled meats (5,319 gourdes); confectionery (2,764 gourdes); books and printed matter (1,295 gourdes); vegetable fibres and manufactures thereof, other than cotton (2,965 gourdes); hats and caps (1,384 gourdes); unspecified machinery (1,392 gourdes); paper and its manufactures (13,255 gourdes); motor car tires and tubes (42,903 gourdes); silk and its manufactures (1,975 gourdes); unspecified manufactures of metal (5,052 gourdes); and wooden boards, planks, and beams (6,764 gourdes).

Canada is not recorded as a supplier of canned meat and butter during the year under review; in 1935-36 she shipped these items to the value of 4,056 gourdes and 9,154 gourdes respectively. Canada's shipments of wheat flour declined from a value of 333,762 gourdes in 1935-36 to 116,560 gourdes in 1936-37; however, as mentioned above, much of the American flour shipped to Haiti is milled in the United States from Canadian wheat and appears in the Haitian customs returns as of United States origin.

EXPORTS

Haiti's total exports in 1936-37 were valued at 44,854,450 gourdes as compared with 47,238,594 gourdes in 1935-36. Of the former figure, coffee accounted for 23,392,957 gourdes or 52.15 per cent of the total. Cotton took second place with 7,665,135 gourdes, and raw sugar third with 3,883,109 gourdes, the highest figure recorded since the beginning of the present century. Exports of sisal fibre were valued at 3,822,569 gourdes. Sisal production has expanded greatly in Haiti during recent years, and exports at the present time are about nine times as great as they were a decade ago. Bananas were fifth (1,887,583 gourdes) and raw cocoa sixth (1,001,347 gourdes). Other exports in order of importance

were: goatskins (782,222 gourdes), cottonseed cake (652,814 gourdes), logwood (645,180 gourdes), molasses (392,606 gourdes), refined sugar (199,378 gourdes), honey (143,760 gourdes), and rum (85,394 gourdes).

Canada's total purchases from Haiti in 1936-37 aggregated 290,955 gourdes, or 0.65 per cent of the total export trade, and consisted almost entirely of sisal fibre, of which shipments to the Dominion were worth 263,027 gourdes. Canada purchased no coffee, cotton, sugar, or rum from Haiti in 1936-37; the only other considerable item of export to the Dominion in that period was cottonseed cake (27,920 gourdes).

Export values showed general improvement in 1936-37, coffee averaging 16 per cent higher than in the previous year; this compensated to some extent for the decrease in the quantity shipped. The value of Haiti's sugar output in that period was greater than in any previous year since 1919-20, and exports of cocoa were worth almost double those of 1935-36. The banana industry made moderate but satisfactory progress, exports having more than doubled in quantity as well as in value those of the preceding fiscal year.

ECONOMIC CONDITIONS IN THE DOMINICAN REPUBLIC, 1937

C. S. BISSETT, CANADIAN TRADE COMMISSIONER

Havana, August 10, 1938.—There was a considerable improvement in economic conditions in the republic during 1937 as compared with the previous year. The country's foreign trade improved in both branches, imports having increased by 17.7 per cent and exports by 16.4 per cent. Internal trade improved correspondingly, and by the end of the year conditions generally indicated further prospective improvement. Unfortunately, the recession in the republic's chief market, the United States, and the downward price trend in world markets for some of the island's main export commodities is likely to affect adversely the republic's income in 1938.

No trade treaties were concluded in this period. The treaty signed with France on September 4, 1936, is, however, considered as having been entirely satisfactory during its first full calendar year of operation. It was amended on December 1, 1937, and the considerably increased interchange of products which has taken place in recent months may make advisable some further additions or changes.

FINANCIAL CONDITIONS

Total income of the republic for the year amounted to \$11,561,867, comprising Customs revenue of \$2,943,743 and internal revenue of \$8,618,124. Both items showed noteworthy increases over 1936. Total expenditures were \$11,570,861, which resulted in a slight deficit on the year's operations amounting to \$8,994.

The external public debt, in the form of bond issues only, at December 31, 1937, was \$15,740,000. At no time has the republic ever defaulted on the interest payments on its outstanding bonds. During the year bonds of a par value of \$552,000 were repurchased and liquidated by the Government, and its external debt thereby reduced by that sum. No details are available as to the outstanding internal or floating debt.

Bank deposits increased from \$7,138,657 in January to \$7,569,517 at the end of September. On the same date bank loans amounted to \$3,514,607.

PUBLIC WORKS

Public construction of various kinds was carried out on a fairly extensive scale throughout the republic during the year. Telephone and radio-telegraph

services were extended. One of the most important public projects completed during the year was the dredging of the harbour channel of Ciudad Trujillo (Santo Domingo) to a depth of 30 feet, thereby providing wharf accommodation for all ocean-going ships and eliminating the necessity of discharging to lighters in the harbour.

AGRICULTURE

Three products—sugar and its derivatives, cacao, and coffee—accounted in 1937 for 88 per cent of the total export trade. Sugar and its derivatives alone accounted for 64 per cent of the total exports.

Production of sugar in the year under review amounted to 453,803 metric tons, which was slightly less than the total for each of the two preceding years. However, substantially higher prices were obtained for the product, which resulted in an increase of \$2,174,296 in the total value of exports, which was \$10,683,331, although the volume shipped abroad decreased by 4,959 metric tons to 428,064 metric tons. The quota allowed the republic by the International Sugar Conference is 400,000 tons. A Sugar Institute was created during the year to handle the regulation of exports.

Cacao producers experienced a much better year than in 1936, as the crop was appreciably larger. This, combined with a much better quality, resulted in a 59 per cent increase in the value of the exports of this product.

Coffee, on the contrary, had a poor year, declining both in quantity available and price obtained. The latter was due principally to the abandonment of the Brazilian coffee restriction scheme. However, in December arrangements were made with France to take 7,000 metric tons annually instead of the 5,400 tons previously agreed upon by treaty. This will relieve the situation substantially, since total exports in 1937 amounted to only 11,049 metric tons. The heaviest export in recent years, that in 1936, amounted to only 14,570 tons.

OTHER PRODUCTS

Tobacco, although less in volume, was better in quality, and the entire crop was sold at good prices. Exports amounted to slightly over 3,148 metric tons and was valued at \$173,322, an average price of 5½ cents per kilo (2·2 pounds).

Rice production under official supervision increased to the point where the domestic product can supply almost the whole of the republic's needs. It is expected that the industry will be on an export basis within two or three years. During the year seventeen new rice mills were erected.

Maize also maintained its position as one of the more important small export commodities. Banana exports also increased sharply after almost two decades in which this industry was neglected. Considerable expansion of it under government stimulus is expected in future years. The total 1937 exports were 128,031 stems. Yucca production also greatly increased, resulting in an increase in exports of starch and tapioca from \$48,107 in 1936 to \$215,410 in 1937.

An item of interest is the experiments being carried on in the district of Constanza and others with similar climatic conditions in the growing of seed potatoes. Some 20 metric tons of this locally grown seed was distributed for the winter crop, and it is hoped in time that the entire elimination of seed potato imports will be possible.

ARGENTINA'S RUBBER MANUFACTURING INDUSTRY

J. A. STRONG, CANADIAN TRADE COMMISSIONER

Buenos Aires, September 14, 1938.—Argentina imported manufactured rubber goods to the value of approximately \$32,000,000 in 1929. The domestic manufacturing industry was then confined to the production of a small group of miscellaneous rubber products. Since then three foreign tire manufacturers have established branch factories in Argentina as the result of the imposition of almost prohibitive import duties. Two of the firms are North American and one is European. One of the three also manufactures a well-known English make of tire under licence, in addition to their own tires. This new tire industry produced 474,792 pneumatic tire casings and 654,204 inner tubes during the year ended June 30, 1935. The production of casings showed a small increase in 1936 and a 50 per cent increase for 1937.

In 1935 there were two factories manufacturing rubber shoes in Argentina with an output of 233,217 pairs, and forty-one factories manufacturing miscellaneous rubber goods, including hose, tubing, soles, heels, friction tape, household and surgeons' gloves, hot water bottles, balls, packing, etc. The local industry now produces practically the entire domestic requirements in canvas shoes with rubber soles and imports of this class of shoes have fallen from a value of approximately \$3,000,000 in 1929 to less than \$50,000 in 1937.

PRODUCTION AND IMPORTS

The following table gives the official production figures for rubber manufactures in Argentina during 1935 and the imports of the similar classes of rubber goods on a weight basis for 1929, 1935, 1936, and 1937:—

	Production		Imports		
	1935	1929	1935	1936	1937
		Cwts.	Cwts.	Cwts.	Cwts.
Casings.	Cwt. 126,740	153,935	13,960	16,762	13,042
Tubes	No. 654,204	23,840	886	1,259	490
Tire accessories	\$ 239,000	.....	.....	.....	.....
Canvas shoes	\$ 2,752,000	9,153	613	58	174
Soles and heels	\$ 399,000	5,593	47	43	61
Solid tires . . . . .	.....	3,544	4,013	3,263	3,207
Rubber shoes	pairs 233,217	1,713	1,421	1,867	2,999
Tubing, hose, sheets, etc.	\$ 785,000	9,930	4,982	5,492	7,837
Pharmaceutical articles	\$ 263,000	1,609	1,869	1,391	1,509
Sundries for autos	\$ 284,000	.....	.....	.....	.....
Rubber corsets	\$ 95,000	.....	.....	.....	.....
Rubber balls	\$ 68,000	.....	.....	.....	.....
Rubber blocks, belting, etc. . . . .	.....	3,219	3,294	3,684	4,950
Rubber thread . . . . .	.....	117	1,698	1,211	2,725
Crude rubber . . . . .	.....	13,815	121,721	126,106	213,404
Miscellaneous	\$ 453,000	.....	.....	.....	.....

ORIGIN OF IMPORTS OF RUBBER GOODS

The reduced demand for imported rubber manufactures in Argentina has affected all the supplying countries. Exports from Canada to Argentina fell from \$3,624,073 in the fiscal year 1930 to \$344,197 in 1937, the decline in shipments of canvas rubber-soled shoes being from \$1,623,544 to \$19,120 and of pneumatic tire casings from \$1,554,968 to \$148,426. Similarly, exports from the United States to Argentina fell from \$3,715,242 in 1930 to \$770,955 in 1936, the trade in canvas rubber-soled shoes having disappeared entirely during the period, although the reduction was mostly in tire casings and tubes. It is only in rubber belting, electrical hard rubber goods and, to a lesser extent, in hose, that the United States trade has been maintained here.

United Kingdom sales of rubber goods to Argentina have been maintained at a comparatively higher level than that of other suppliers due to the exchange

preference enjoyed by the United Kingdom over Canada and the United States. The preference is currently 22 per cent on the c.i.f. value of the goods.

IMPORTS BY SUPPLYING COUNTRIES

The following table gives the total imports of rubber manufactures into Argentina according to countries of origin for 1929 and for 1934, 1935, and 1936:—

	1929	1934	1935	1936
Total manufactures	\$31,939,825	\$3,892,468	\$2,460,418	\$2,468,545
United States	18,512,415	697,307	522,682	679,086
Canada	3,288,419	453,945	261,642	223,751
United Kingdom	4,221,502	1,973,078	1,149,597	1,098,122
Germany	2,503,468	176,721	206,493	190,567
Italy	2,291,722	165,389	28,723	123,296
France	1,041,510	119,374	51,071	43,744
Japan	78,966	105,872	184,889	45,924
Czechoslovakia	812	15,807	23,892	31,384
Hongkong .. . . .	.....	99,044	2,960	1,629
Others	1,011	56,517	28,468	31,101
Crude rubber	1,004,739	5,866,681	5,917,350	6,130,576

Pneumatic Tires and Casings.—Imports are now practically confined to odd sizes of tires. The United Kingdom is the principal supplier due to the exchange preference of 22 per cent as already indicated.

Rubber Boots and Shoes.—Canada is the principal supplier of rubber boots and shoes and shipments increased from a value of \$57,056 in 1936 to \$75,078 in 1937. The consumption of imported boots and shoes, unlike most of the other rubber items, has tended to increase in spite of the local production. The United Kingdom and Germany offer the principal competition for Canadian supplies but both have relatively small shares of the trade despite again the exchange preference in their favour.

Heels and Soles.—The import trade in these lines has practically disappeared due to competition from the local industry.

Canvas Rubber-soled Shoes.—The demand for this type of imported shoes is now on a quality basis in Argentina. Sales are still made in the face of local competition, largely through the prestige of the brands sold and their well-established sales organizations here. Canada has always been the principal supplier. Japan still sells a few on a price basis. Japanese sales had a value of approximately \$5,000 during 1936.

Rubber Gloves.—The local industry now supplies the bulk of the requirements in household gloves but only a small proportion as yet of surgeons' gloves.

MIDDLE ASIA MARKET FOR APPLES

B. C. BUTLER, CANADIAN TRADE COMMISSIONER

Singapore, September 10, 1938.—Although most of the population of the Middle Asia countries, British Malaya, Siam and Netherlands India, is little above the coolie class so far as purchasing power goes, there is a market in this territory for over 175,000 cases of apples annually. Australia supplies 60 per cent of that quantity during the months from February to September and the United States, with small quantities from Canada, the balance during the remainder of the year.

PACKING AND BRANDS

The demand is entirely for boxed, tissue-wrapped apples. There is no opening for barrelled apples from Eastern Canada. This market is, therefore, of chief interest to British Columbia shippers. An experimental shipment of Nova Scotia apples in barrels a few years ago proved a failure. The shipping

time from Eastern Canada is too long, and barrels are not suited to conditions in this tropical market. They are awkward to handle and the fruit does not keep in as good condition as in the more conveniently sized, ventilated cases. The standard box packing and grading practised by west coast shippers is satisfactory.

It is desirable to have an attractive brand, preferably one with some easily remembered feature that enables the illiterate buyers to assign it a name. At the same time a distinctive brand is of value only so long as the fruit turns out consistently good. One bad shipment will give the best known label an unfavourable reputation and it will take a number of good shipments to restore it to favour.

SHIPPING

A handicap to the sale of Canadian apples in this market is the lack of a direct shipping service from Vancouver. United States West Coast shippers have enjoyed in past years the advantage of the fortnightly service offered by the Dollar Line and the monthly sailings of the Silver-Java Pacific Line. Canadian West Coast shippers have been unable to take advantage of these services because of the increased inland freights attending shipments through United States ports. As in previous years with the exception of two sailings of the Silver Line from Vancouver, there will be no direct refrigerated service from British Columbia to this territory this season. Besides, the space on these two ships appears to be already fully booked by members of the Pacific Fresh Fruit Exporters Association.

The alternative routing for shipments of Canadian apples to this territory is by C.P.R. to Hongkong or Manila with transshipment at one of these ports. Shipments routed in this manner can be delivered in about one month. Buyers are opposed to this routing, even if storage charges at the transshipment ports are absorbed, because of the risk attending the transshipment of perishable cargo. Nevertheless, at the same time, they would be inclined to take these risks this year because of the uncertainty of obtaining deliveries from the United States. To this extent the situation this year is rather more encouraging than in past seasons. Unfortunately, space on the C.P.R. ships is reported to be at a premium.

INSURANCE

Most of the American apples entering this market this year will be shipped by members of the Pacific Fresh Fruit Exporters Association who, in addition to the ordinary general average policy, insure the fruit for other claims including mildew, decay, breakdown or freezing in excess of 10 per cent. Claims resulting from "bitter pit" are not accepted. Risks attending deterioration resulting from strikes or similar causes are also excluded unless policies are specially endorsed. While an attractive feature, most importers here consider such insurance an unnecessary extra charge as long as the fruit is in perfect condition and properly inspected before shipment.

PRICES

Quotations from the United States are now fairly uniform as most Pacific states shippers are members of the Pacific Fresh Fruit Exporters Association. Prices are announced by cable a fortnight or more in advance of each sailing. Independents are quoting somewhat lower prices but will have difficulty in making deliveries due to the shortage of shipping space.

MARKET REQUIREMENTS

Possibly the most important fact to remember about shipments to this territory is that only hard, green apples are in general demand. Coloured apples do not keep long in this climate. If fruit arrives in a ripe condition, the price will be heavily discounted.

Substitution of counts or otherwise altering instructions should not be practised without confirmation from the buyers. Similarly, approval must be obtained to ship any quantities by later steamers than those specified. The wholesale dealers in this territory do not hesitate to refuse shipments or demand allowances should there be the slightest excuse for such action. For this reason dealings with reliable commission agents rather than direct with wholesalers are strongly recommended.

British Malaya

The total population of British Malaya is approximately 5,000,000, of which 2,150,000 are Malays, over 2,000,000 Chinese, 700,000 British Indians, 44,000 Europeans and Eurasians, and some 60,000 other foreign Orientals. Only the European, Eurasian and some of the better classes of the other groups can afford to buy apples in the normal way, but the system of street peddling makes the fruit available in small quantities to practically every class of the population. Street pedlars purchase a few apples and sell a sixth or a tenth portion of each apple for one Straits cent. For this reason the sizes in demand in British Malaya are somewhat larger than those required by Netherlands India, where the apples are not portioned in this manner but are sold by weight. The average retail price for apples in Singapore is about 3 cents Canadian each.

IMPORTS

Imports of fresh apples into the two main ports of British Malaya during the years 1936, 1937, and the first half of 1938 were as follows:—

INTO SINGAPORE			
	1936	1937	January-June, 1938
	Cases	Cases	Cases
Total	66,509	86,638	49,104
Australia	39,447	51,416	40,246
Canada	800	500	1,557
Palestine . . . . .	.....	.....	100
United States	26,262	34,722	7,201

INTO PENANG			
	1936	1937	January-June, 1938
	Cases	Cases	Cases
Total	9,501	12,514	7,568
Australia	3,127	6,792	4,469
Canada . . . . .	.....	100	.....
United States	6,374	5,622	3,099

Direct imports into other British Malayan ports are negligible.

It will be noted that imports from Australia greatly exceed those from North America. The Australian fruit usually costs the wholesale dealers about \$2.50 Canadian per case, while American or Canadian apples cost about \$3.50 Canadian. Nevertheless, during the Canadian shipping season imports of apples into Singapore average between 5,000 and 7,000 cases monthly and into Penang approximately 1,000 cases monthly.

There is a considerable re-export of apples from Singapore and Penang, from the former especially, to Siam, the British states in Borneo, and the neighbouring Dutch islands.

VARIETIES, GRADES, AND SIZES

Imports of coloured varieties into British Malaya are less than 5 per cent of the total. The Australian Granny Smith is the popular variety during the months when shipments are made from that source. During the North American

season White Winter Pearmain and Yellow Newtowns are the standard, the latter being preferred if green on arrival. If the fruit is slightly yellow or blushed, dealers demand discounts of as much as 25 per cent.

Canadian grading standards are satisfactory and Canadian packs and labels enjoy a good reputation. It is even possible to obtain a slight premium for Canadian fruit in Singapore. While California quotes on Fancy grades, Extra Fancy is preferred, and this is the grade usually imported from Oregon, Washington, and British Columbia. The preferred count is 138 to 150, but quotations are usually on counts 113 to 163 with not more than 10 per cent 113.

PRICES

Opening prices for Californian Gravenstein and White Winter Pearmains, Fancy grade, are \$3.05 in United States currency for counts 163 to 216 (which are too small for this market) and \$3.20 for counts 150 and larger c.i.f. Singapore, including a 5 per cent commission. Independent shippers are quoting at \$2.60, but they are unable to obtain shipping space. Only orchard run Newtowns, 138 to 216, are being quoted from Washington, the price being \$3.05, shipment end of September.

LANDING CHARGES AND DOCUMENTATION

There is no duty on fresh apples entering any part of British Malaya and no unusual landing charges. Ordinary commercial invoices are sufficient; but, as some of the fruit is re-exported from Singapore to the surrounding Dutch territories where a health certificate is required, such certificate should accompany shipments to British Malaya.

TRADE PRACTICES

The import fruit trade in British Malaya is in the hands of a half-dozen commission agents and two or three general merchant firms. All of these operate their fruit business entirely upon an indent basis, although drafts are usually drawn upon them rather than on their clients. The actual distribution of fruit is in the hands of Chinese wholesale dealers, who order through the agents or importers. The dealers take delivery at the ship and assume responsibility for transport and coolie hire. The normal agency commission for the importer is 5 per cent, out of which he must pay cable charges, bank commission, and extend credit, which is usually for thirty days but may run up to three months. Importers quote essentially the same prices to the Chinese wholesalers but compete for the latter's indents by offering special services, such as lengthy credits, generous claims, free cold storage, etc.

The present wholesale dealers' price to retailers and secondary distributors is from \$3.75 to \$4.05 Canadian per case. The profit made by these dealers varies with the stock position of the market. While not the actual importers, the wholesale dealers take most of the market risks.

ROUTING

Using C.P.R. ships to Hongkong, the best transshipment at that port to Singapore and Penang is per the steamers of the K.P.M. (Dutch), the P. & O., British India, or Blue Funnel Line. When the regular fortnightly sailings of the Dollar Line are available, dealers in British Malaya will not consider transhipped lots from Canada except in unusual circumstances.

Siam

The population of Siam totals approximately 14,500,000, of which 2,000 are Europeans, 500,000 Chinese, 120,000 other foreign Orientals, and the balance natives. Purchasing power of the population is lower than that of British Malaya, and there are no cold storage facilities in the rural districts where the great mass of the people live. Thus the city of Bangkok with a total population of less than 750,000 constitutes the main Siamese market for apples and only a small percentage of its population can afford imported fresh fruit. As the number of Europeans is small, the principal consumers are the better-class Siamese and Chinese.

The cost of imported cold storage goods is particularly high in Siam because the port of Bangkok is not on the route for direct shipments from Australia or North America. Bangkok's requirements are largely supplied from Singapore or Penang and to a lesser extent from Hongkong. A large part of the trade is in the hands of Chinese compradores (chief clerks) on the ships plying between Bangkok and the transshipment centres. These clerks purchase small quantities of fresh fruits at the transshipment ports and are permitted by the steamship companies to carry them freight free or for a nominal charge. This practice, applying to other commodities as well as fresh fruits, provides the compradores with their main income and they conduct a fairly large volume of business in this way. They charge high prices to Chinese dealers in Bangkok. The price of apples is from \$3.75 to \$5 Canadian per case c.i.f. Bangkok.

There are no official statistics of imports of fresh apples into Siam, but the quantity is estimated at 500 to 600 cases monthly or a maximum of 8,000 cases annually. Grades, counts, and other specifications are the same as in the case of shipments into British Malaya.

Due to the lack of direct shipping to Bangkok and the peculiar character of the trade, Canadian exporters should concentrate upon shipments to Singapore in the knowledge that a small portion of the quantities taken by this port will eventually reach Bangkok.

Netherlands India

The total population of Netherlands India is in the neighbourhood of 65,000,000, of which 63,000,000 are natives, 1,630,000 Chinese, 250,000 Europeans and Eurasians, and 120,000 other foreign Orientals. The better class urban-dwelling natives, together with the Europeans, Eurasians, and Chinese, who are by far the largest consumers, constitute the market for imported fruits.

Imports of apples into Netherlands India average about 90,000 cases annually, of which over 80 per cent are imported into Java. Imports in 1935 totalled approximately 89,000 cases; in 1936, 92,000 cases; and in 1937, 98,000 cases. Imports into Java only during the first six months of 1938 (figures for the other islands are not yet available) totalled 32,000 cases.

Imports are steady throughout the year, Australia being the source of supply from about March to September and North America during the remainder of the year. In this latter period imports amount to 40,000 to 50,000 cases, of which the United States supplies 75 per cent, Japan 15 per cent, and Singapore 10 per cent. Imports from the latter source are mainly of United States origin with small quantities from Canada.

Canadian apples were shipped into this country in fair quantities until 1934, but since the discontinuance of direct refrigerated sailings from Vancouver supplies from Canada have been shipped only on rare occasions and in small quantities.

VARIETIES, GRADES AND SIZES

As in British Malaya, this tropical territory prefers hard, green apples, such as Australia's Granny Smith, and Yellow Newtowns in a green condition from the United States and Canada. Although it is a coloured apple, there is a sale for Winesaps about December and January, especially in East Java. White Winter Pearmain from the United States sell well at the beginning of the season.

Extra Fancy quality is preferred, but Fancy quality is quoted from the United States. The popular count for Yellow Newtowns is 138 to 163; for red apples 163 to 216, with the exception of Jonathans and Delicious, for which 138 to 175 are preferred; and for White Winter Pearmain 113 to 216, the popular counts being 138 to 163.

PRICES

No prices for Yellow Newtowns are available in Java at present, but Fancy White Winter Pearmain is being offered at \$3.20 for counts 113 to 150, and \$3.05 for 163 to 216.

CUSTOMS DUTIES AND LANDING CHARGES

Fresh apples are valued for duty purposes in the *Prijs-courant*, issued quarterly by the Netherlands Indies Customs Department. This value varies and has not yet been announced for the fourth quarter of the present year. For this period of 1937 the value was 5 fl. (\$2.75 Canadian) per case. The rate of duty at this evaluation is 20 per cent ad valorem, plus a surtax of fifty per cent. In addition there is a small statistical charge, an unloading charge, a fruit inspection fee, the usual coolie hire, and cost of transport to cold storage.

The only special documentation for fresh apples is a certificate of health which must accompany every shipment to ensure discharge at Netherlands Indies ports. Specimen forms of the required certificates are obtainable upon application to the Department of Trade and Commerce, Ottawa.

TRADE PRACTICES

Instead of dealing direct with suppliers, wholesalers prefer to place their indents with commission agents who take care of cables and all other details. Unlike British Malaya, drafts for shipments to Netherlands India are frequently drawn direct on the wholesaler with the indent agent named "in case of need." It is thus important to select a reliable agent. The documents covering shipments of fruit frequently arrive well in advance of the steamer carrying the goods, and the custom in Netherlands India is to hold the sight draft until one day before the steamer's arrival.

The standard commission to agents in Netherlands India is 10 cents U.S. or Canadian per case on North American fruit and 3d. or 6d. on Australian or South African, out of which cable and other expenses must be paid. The wholesale dealers take delivery at ship's side, pay all the landing, transport, cold storage and other charges, and sell to their clients at a profit of 0.50 to 2 fl. per case, the fair average being 1.25 fl. (Canadian 69 cents). The wholesale dealers extend the necessary credit facilities to the smaller buyers.

The retail price is usually about 27 cents Canadian per kilogram, but varies according to the cost of the fruit and the quantities available in the market.

ROUTING

All United States West Coast fruit is routed to Netherlands India via the Silver-Java Pacific line. As explained earlier, there is little likelihood of space for Canadian apples being available on the direct steamers to Netherlands India, and the only routing is via C.P.R. to Hongkong or Manila with transshipment at either of these ports to the steamers of the K.P.M.

JAPANESE SPRING COCOON CROP

A. K. DOULL, ASSISTANT TRADE COMMISSIONER

(One yen at present rate of exchange equals approximately 29 cents Canadian)

Tokyo, September 19, 1938.—According to a statement issued by the Department of Agriculture and Forestry, the crop of spring cocoons for 1938 amounted to 337,816,768 pounds valued at 177,477,219 yen. This was a decrease in quantity of 38,364,245 pounds (10·2 per cent) and in value of 75,088,552 yen (29·7 per cent) from the 1937 spring crop figures. However, it exceeded the July estimate of 317,168,828 pounds, as reported in *Commercial Intelligence Journal* No. 1802 (August 13, 1938). Of the final crop total, white cocoons amounted to 268,378,259 pounds valued at 144,571,991 yen and yellow cocoons to 69,438,509 pounds valued at 32,905,228 yen. The number of establishments engaged in sericulture, most of which were family houses, decreased by 142,872 or 8·5 per cent and amounted to 1,535,456. This large decrease both in the crop and the number engaged in producing it was due chiefly to the shortage of labour occasioned by the present hostilities with China and to governmental restrictions on cocoon raising due to less demand for raw silk. Snow and frost damage to mulberry plants was also a contributing factor.

TENDERS INVITED

New Zealand

Copies of tender forms and specifications have been received from Mr. W. F. Bull, Canadian Trade Commissioner at Auckland, for equipment required by the Auckland Electric Power Board, Auckland, and the Public Works Department, Wellington, New Zealand. These specifications are open for inspection by interested Canadian firms on application to the Department of Trade and Commerce, Ottawa.

Particulars are as follows:—

Auckland Electric Power Board.—Three 6,000 K.V.A. 3-phase transformers with on-load load tap-changing equipment, automatic control equipment, and spares (tenders close November 21, 1938).

Public Works Department.—Seven only 7,400 K.V.A. transformers, 110 K.V., and two only 22,200 K.V.A. banks (tenders close January 24, 1939); two only 22,200 K.V.A. generators and two only 28,000 h.p. turbines (tenders close February 14, 1939).

TARIFF CHANGES AND CUSTOMS REGULATIONS

United Kingdom

CERTIFICATE OF ORIGIN FORM 119

With reference to the notice in *Commercial Intelligence Journal* No. 1798 (July 16, 1938), page 104, concerning certificates of origin required for Canadian produce exported to the United Kingdom, Mr. W. B. Gornall, Canadian Fruit Trade Commissioner in London, writes that errors most commonly made are: (1) Wrong type of certificate; (2) words essential to the correct meaning of the certificate are deleted; (3) signature and/or date omitted; (4) the use of the supplementary certificate when not necessary; (5) incorrect entry under column headed "Name of Grower or Producer."

As to (1), the present form requires the place of first consignment to be given, then the consignee, port of shipment, and finally the port of ultimate

destination. Unless the proper form is used, the certificate provides no authority for free import.

As to (2), when the words "of the goods designated below hereby certify" are deleted, this action destroys the whole meaning of the certificate and renders it useless. The signer of the certificate is required to delete two of the three words "Grower—Producer—Supplier," whichever do not apply to the particular shipment covered by the certificate, but the clause which immediately follows the word "Producer" must not be deleted.

As to (3), since there are instances where the signature and/or date are omitted, exporters are cautioned to read the certificate carefully before attaching it to the shipping documents.

As to (4), the supplementary certificate is for use only when the authorized person signing the main certificate is unable to provide the particulars required under clause 3 of the certificate, that is, place of first consignment, etc.

As to (5), the column headed "Name of Grower or Producer" does not permit the use of the name of the packer or exporter. When fruits or vegetables are packed in a central packing house, the product loses its identity and the names of the actual growers cannot be given. To overcome this difficulty it has been agreed that the words "Various Growers in Canada" will be accepted.

Belgium

IMPORT LICENCES FOR CHEESE

With reference to the notice in *Commercial Intelligence Journal* No. 1809 (October 1, 1938), page 609, Mr. Yves Lamontagne, Canadian Trade Commissioner at Brussels, reports that a Belgian royal decree published September 30, 1938, cancels the restrictions placed upon imports of hard and semi-hard fermented cheese by the decree of September 14. As a result of this new measure Canadian cheese and processed cheese are no longer subject to import licences, as from September 30.

Netherlands

IMPORT RESTRICTIONS ON PLYWOOD

Mr. J. A. Langley, Canadian Trade Commissioner at Rotterdam, writes that by a royal decree of September 27, 1938, the restrictions on the importation into the Netherlands of plywood, with the exception of alder, birch, beech, and Douglas fir, have been continued. During the period from October 1, 1938, to September 30, 1939, inclusive, imports shall be limited to 50 per cent of the gross weight imported from each exporting country during 1934. The previous quota was the same. A certificate of origin is required for the entry of plywood.

The Minister of Economic Affairs may, in addition, grant special quotas to designated countries.

FRUITS EXEMPT FROM TURNOVER TAX

Mr. J. A. Langley, Canadian Trade Commissioner, Rotterdam, advises that the Netherlands has exempted all fruits from turnover tax, with effect from October 1, 1938.

The Turnover Tax Law (No. 546), 1933, has been in effect since January 1, 1934, and is to expire on January 1, 1939, unless extended by legislation. The law imposes a tax of 4 per cent levied on the sales value in the case of first-hand sales from manufacturers to dealers and on the duty-paid value in the case of imports. Specially enumerated luxury goods are subject to a tax of

10 per cent. Specified foodstuffs and raw materials, goods destined for export, and imports whose value does not exceed 5 florins (\$2.70) are exempted from the tax. The list of exemptions may be extended from time to time.

Netherlands India

QUOTA ON WRAPPING PAPER

Mr. B. C. Butler, Canadian Trade Commissioner at Singapore, reports under date of September 19 that the quota on the imports of packing paper into Netherlands India has been extended for a further three-months' period terminating November 12, 1938. The quantity that may be imported in this period shall not exceed 1,700 metric tons gross, of which Holland's share shall be 30 per cent or 510 metric tons. Certificate of origin should be furnished with goods subject to import restrictions.

Japan

TRADE CONTROL

Mr. C. H. Croft, Commercial Secretary at Tokyo, writes under date September 7, 1938, that the regulations under the Emergency Import and Export Control Law have been revised, effective as from August 29, 1938. The revision does not affect the purport of the regulations, namely that the export or import of certain specified articles may be made only with the permission of the Minister of Commerce and Industry. The regulations were reviewed fully in *Commercial Intelligence Journal* No. 1765 (November 27, 1937), and subsequent revisions have also been reported. A summary of the regulations appeared in *Commercial Intelligence Journal* No. 1798 (July 16, 1938).

The revision which has just been made deletes Schedules A and D of the regulations, which specified the articles in the so-called restricted class and included hides, rubber and substitutes, cotton, jute, wool, pulp, wood, platinum, copper, lead, tin, zinc, mercury, antimony and sulphide of antimony, brass and bronze, and ores of copper, lead, tin, zinc, nickel, and antimony. While these commodities have been removed from the list which is subject to import permission, it should be noted that in the case of several of these special domestic regulations exist, and in any event importation can be controlled through the operation of the Foreign Exchange Control Law.

The revision includes an alteration in the sequence of the regulations. Thus Article 1 of the original regulations, which referred to the restricted import commodities under Schedules A and D (which have now been deleted), has now been amended to refer to the restrictions on the export of certain specified items as set forth in Schedule C of the original regulations (and its subsequent amendments). Schedule C now becomes Schedule A.

Manchukuo

TEMPORARY SUSPENSION OF DUTY ON WHEAT FLOUR

With reference to the notice published in *Commercial Intelligence Journal* No. 1799 (July 23, 1938), page 146, respecting the temporary suspension of the duty on wheat flour in Manchukuo, Mr. C. M. Croft, Commercial Secretary, Canadian Legation, Tokyo, writes under date September 21 that by an Imperial ordinance the period of suspension of the duty on wheat flour is extended to December 31, 1938. Thus, no duty will be payable on this commodity before January 1, 1939. The import duty on wheat flour is 1.65 yuan per 100 kilos (21 cents per 100 pounds).

FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING OCT. 11, 1938

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Tuesday, October 11, 1938, and for the week ending Monday, October 3, 1938, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending Oct. 3	Nominal Quotations in Montreal Week ending Oct. 11	Official Bank Rate
Austria	Schilling	.1407	.....	.....	—
Belgium	Belga	.1001	\$.1701	\$.1706	3
Bulgaria	Lev	.0072	.0126	.0124	6
Czechoslovakia	Koruna	.0296	.0346	.0347	3
Denmark	Krone	.2680	.2154	.2144	4
Finland	Markka	.0252	.0212	.0212	4
France	Franc	.0392	.0268	.0268	3
Germany	Reichsmark	.2382	.4032	.4038	4
Great Britain	Pound	4.8666	4.8270	4.8027	2
Greece	Drachma	.0130	.0089	.0088	6
Holland	Guilder	.4020	.5473	.5478	2
Hungary	Pengo	.1749	.2985	.2991	4
	Unofficial		.1979	.1981	—
Italy	Lira	.0526	.0529	.0530	4½
Yugoslavia	Dinar	.0176	.0230	.0229	5
Norway	Krone	.2680	.2426	.2413	1½
Poland	Zloty	.1122	.1892	.1904	4½
Portugal	Escudo	.0442	.0438	.0435	4-4½
Roumania	Leu	.0060	.0074	.0074	3½
Spain	Peseta	.1930	.0516	.0512	5
Sweden	Krona	.2680	.2488	.2473	2½
Switzerland	Franc	.1930	.2294	.2291	1½
United States	Dollar	1.0000	1.0068	1.0087	1
Mexico	Peso	.4985	.1960	.1974	3
Cuba	Peso	1.0000	1.0062	1.0080	—
Guadeloupe	Franc	.0392	.0268	.0268	—
Jamaica	Pound	4.8666	4.8375	4.8127	—
Martinique	Franc	.0392	.0268	.0268	—
Other British West Indies	Dollar	1.0138	1.0058	1.0006	—
Argentina	Peso (Paper)	.4245	.3212	.3203	3½
	Unofficial		.2552	.2547	—
Brazil	Milreis (Paper)	.1193	.0588	.0590	—
British Guiana	Dollar	1.0138	1.0058	1.0006	—
Chile	Peso	.1217	.0522	.0523	3-4
	Unofficial		.0403	.0404	—
Colombia	Peso	.9733	.5705	.5748	4
Peru	Sol	.2800	.2014	.2018	6
Venezuela	Bolivar	.1930	.3121	.3127	—
Uruguay	Peso	1.0342	.6353	.6318	—
South Africa	Pound	4.8666	4.8212	4.7967	3½
Egypt	Pound (100 Piastres)	4.9431	4.9438	4.9227	—
China (Shanghai)	Dollar	.....	.1655	.1641	—
Hongkong	Dollar	.....	.3020	.3001	—
India	Rupee	.3650	.3605	.3588	3
Japan	Yen	.4985	.2814	.2797	3.29
Java	Guilder	.4020	.5477	.5480	—
Siam	Baht (Tical)	.4424	.4420	.4398	—
Straits Settlements	Dollar	.5678	.5608	.5584	—
Australia	Pound	4.8666	3.8625	3.8421	3
New Zealand	Pound	4.8666	3.8937	3.8731	2

The Dominion Bureau of Statistics has supplied the following note:—

During the week ended October 8 exchange markets moved within narrower limits than for some time. After receding to \$4.8245 on October 4, sterling recovered to \$4.8380 by the 6th, but a subsequent reaction brought quotations to \$4.8229 on the 8th. This marked a net drop of 1½ cent between the week's high and low as compared with a loss of more than 5½ cents between these levels in the previous period. The French franc, which had risen from 2.69 cents to 2.70 cents between October 3 and 4, remained steady till the 8th, when it fell back to the opening level. Premiums on United States dollars rose irregularly from $\frac{1}{16}$ of 1 per cent on October 4 to $\frac{3}{32}$ of 1 per cent on October 8.

TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

Secretary, Board of Trade—

Saint John, N.B.	Kitchener, Ont.	St. Boniface, Man.
Halifax, N.S.	Brantford, Ont.	Winnipeg, Man.
Quebec, P.Q.	Stratford, Ont.	Vancouver, B.C.
Montreal, P.Q.	Woodstock, Ont.	New Westminster, B.C.
Toronto, Ont.	St. Mary's, Ont.	
Chatham, Ont.	Portage la Prairie, Man.	

Secretary, Chamber of Commerce—

Sherbrooke, P.Q.	Peterborough, Ont.	Victoria, B.C.
Kingston, Ont.	London, Ont.	Prince Rupert, B.C.
Oshawa, Ont.	St. Catharines, Ont.	
Belleville, Ont.	Hamilton, Ont.	

Windsor Chamber of Commerce, Windsor, Ont.—

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

Secretary, Canadian Manufacturers Association—

Secretary Canadian Manufacturers Association—

Toronto, Ont.	Winnipeg, Man.	Vancouver, B.C.
Montreal, P.Q.	Edmonton, Alta.	Victoria, B.C.

Director, Trade Extension, Victoria, B.C.

Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.

Commodity	No.	Location of Inquirer	Purchase or Agency
Foodstuffs—			
Breakfast Cereals.....	512	Singapore, Straits Settlements.....	Agency.
Cocoa.....	513	Singapore, Straits Settlements.....	Agency.
Turnips.....	514	Detroit, Michigan.....	Purchase.
Miscellaneous—			
Toilet Paper.....	515	Christchurch, New Zealand	Agency.
Plaster Board Paper.....	516	Dublin, Ireland.....	Purchase.
Boxboard.....	517	Treforest, South Wales....	Purchase.
Hard Wall-board.....	518	Hongkong.....	Agency.
Pulp Board for Plaster Slabs....	519	Dublin, Ireland.....	Purchase.
Woodpulp.....	520	New York City, New York.	Purchase.
Wire Nails.....	521	Singapore, Straits Settlements.....	Purchase.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Montreal

To Liverpool.—Duchess of Atholl, Oct. 21 and Nov. 18; Duchess of Bedford, Oct. 28; Duchess of Richmond, Nov. 4; Duchess of York, Nov. 11—all Canadian Pacific; Antonia, Oct. 21 and Nov. 18; Andania, Nov. 4—both Cunard-White Star Line; Glitrefjell, Oct. 29; Svanefjell, Nov. 19—both Fjell Line.

To London.—Beaverford, Oct. 21; Beaverbrae, Oct. 28; Beaverhill, Nov. 4; Beaverburn, Nov. 11; Beaverdale, Nov. 18—all Canadian Pacific; Ascania, Oct. 21; Ausonia, Oct. 28; Alaunia, Nov. 4; Aurania, Nov. 11—all Cunard-White Star Line; Carmelfjell, Oct. 19; Tindefjell, Nov. 2; Ravnefjell, Nov. 16—all Fjell Line.

To Manchester.—Manchester Citizen, Oct. 20; Manchester City, Oct. 27; Manchester Regiment, Nov. 3; Manchester Port, Nov. 10; Manchester Commerce, Nov. 17; Manchester Progress, Nov. 24—all Manchester Line; Glitrefjell, Oct. 29; Svanefjell, Nov. 19—both Fjell Line.

To Southampton.—Montrose, Oct. 29; Duchess of Richmond, Nov. 24—both Canadian Pacific.

To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.—New York City, Oct. 17; Boston City, Nov. 4; Bristol City, Nov. 23—all Bristol City and Dominion Lines; Norwegian, Oct. 26; Dorelian, Nov. 12—both Cunard-Donaldson and Dominion Lines.

To Glasgow.—Delilian, Oct. 21; Letitia, Oct. 28; Sulairia, Nov. 4; Athenia, Nov. 11—all Donaldson-Atlantic Line.

To Newcastle and Leith.—Cairnglen (also calls at Dundee), Oct. 19; Cairnesk, Nov. 2; Cairnmona, Nov. 9; Cairnross (also calls at Dundee), Nov. 16; Cairnvalona, Nov. 23—all Cairn-Thomson Line.

To Aberdeen and Hull.—Bassano, Oct. 28; Kelso, Nov. 10—both Ellerman's Wilson Line.

To Dublin and Belfast.—Torr Head, Head Line, Oct. 23 (cargo accepted for Cork and Londonderry).

To Hamburg and Bremen.—Beaverbrae, Oct. 28; Beaverford, Nov. 25—both Canadian Pacific (do not call at Bremen); Augsburg, North German Lloyd Line, Oct. 21; Bochum, Hamburg-American Line, Nov. 18.

To Copenhagen, Gothenburg, Stockholm and Helsingfors.—Lagaholm, Swedish-American-Mexico Line, Oct. 21.

To Norwegian Ports.—Glitrefjell, Oct. 29; Svanefjell, Nov. 19—both Fjell Line; Idefjord, Oct. 29; Randsfjord, Nov. 5—both Norwegian-American Line.

To Antwerp and Havre.—Beaverford, Oct. 21; Montrose, Oct. 29; Beaverdale, Nov. 18—all Canadian Pacific (do not call at Havre); Flint 2 (does not call at Antwerp), Oct. 20; Hada County (does not call at Havre), Nov. 2; Brant County, Nov. 13—all County Line; Carmelfjell, Oct. 19; Tindefjell, Nov. 2; Ravnefjell, Nov. 16—all Fjell Line (do not call at Havre).

To Rotterdam.—Flint 2, Oct. 20; Lista, Nov. 6; Grey County, Nov. 23—all County Line; Carmelfjell, Oct. 19; Tindefjell, Nov. 2; Ravnefjell, Nov. 16—all Fjell Line.

To Marseilles, Genoa, Leghorn, Naples, Messina, Palermo, Gibraltar and Lisbon.—Capo Lena, Oct. 22; Capo Olmo, Nov. 5—both Capo Line (will also call at Cadiz and/or Seville and/or Casablanca if sufficient cargo offers).

To St. John's, Nfld.—Anna (also calls at Harbour Grace, Bay Roberts, Carbonear and Port Union), Oct. 17; Mosna, Oct. 20 or 21; Imogene, Nov. 2; Bencas (also calls at Harbour Grace, Bay Roberts, Carbonear and Port Union), Nov. 10 or 11—all Shaw Line (will call at other Newfoundland ports at cargo offerings warrant); Belle Isle, Newfoundland-Canada SS. Ltd., Oct. 21 (also calls at St. Pierre-Miquelon).

To Cornerbrook, Nfld.—Gaspesia, Clarke SS. Co., Oct. 19.

To Puerto Rico, Barbados, Trinidad and Demerara.—Chomedy, Oct. 27; Colborne, Nov. 10; Cornwallis, Nov. 24—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offers).

To Hamilton, Nassau, Kingston and Belize.—Cathcart (calls at Kingston only), Oct. 21; Lady Rodney, Oct. 26; Cavalier (calls at Kingston only), Nov. 4; Lady Somers, Nov. 9—all Canadian National.

To Bermuda, St. Kitts, Antigua, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Herøy, Oct. 22; a steamer, Nov. 5—both Ocean Dominion SS. Corp. (call at Guadeloupe and Martinique if sufficient cargo offered).

To Santos and Buenos Aires.—Hektor, Oct. 27; a steamer, Nov. 9—both International Freighting Corp. (will call at Rio de Janeiro if sufficient cargo offered).

To Brisbane, Sydney, Melbourne and Adelaide.—City of Delhi, Oct. 30; Port Montreal, Nov. 25—both Montreal Australia New Zealand Line (will also call at Geelong).

To Auckland, Wellington, Lyttelton and Dunedin.—Kaipara, Oct. 21; Port Saint John, Nov. 21—both Montreal Australia New Zealand Line.

To Cape Town, Port Elizabeth, East London and Durban.—Cochrane, Elder Dempster Lines Ltd., Oct. 30.

To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Madras, Rangoon, Calcutta and Singapore.—A steamer, Canada-India Service, November.

To Manila, Hongkong and Shanghai.—Phemius, Blue Funnel Line, Oct. 20.

From Quebec

To Southampton.—Empress of Britain, Canadian Pacific, Oct. 22 and Nov. 5.

From Halifax

To Liverpool.—Newfoundland, Oct. 25; Nova Scotia, Nov. 12—both Furness Line; Manchester Brigade, Manchester Line, Oct. 31.

To London and Rotterdam.—Edam, Oct. 24; Binnendijk, Nov. 2; Tiradentes, Nov. 13—all Holland-America Line.

To Manchester.—Manchester Progress, Oct. 16; Manchester Citizen, Oct. 23; Manchester City, Oct. 30; Manchester Regiment, Nov. 6—all Manchester Line.

To Newcastle.—Cairnesk, Cairn-Thomson Line, Nov. 5.

To Cardiff and Bristol.—Gloucester City, Oct. 17; Toronto City, Nov. 2—both Bristol City and Dominion Lines.

To St. John's, Nfld.—Fort Amherst, Oct. 17 and 31; Fort Townshend, Oct. 24 and Nov. 7—both Furness-Red Cross Line (also call at St. Pierre); Magnhild (also calls at St. Pierre and Newfoundland outports), Newfoundland-Canada SS. Ltd., Oct. 17; Newfoundland, Oct. 25; Nova Scotia, Nov. 12—both Furness Line.

To Kingston, Jamaica.—Cathcart, Oct. 24; Cavelier, Nov. 7—both Canadian National.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Nelson, Oct. 20; Lady Hawkins, Nov. 3; Lady Drake, Nov. 17—all Canadian National; Heroy, Oct. 27; a steamer, November—both Ocean Dominion SS. Corp. (call at Gadeloupe and Martinique if sufficient cargo offered but not at Nevis or Montserrat).

To Puerto Rico, Barbados, Trinidad and Demerara.—Cornwallis, Oct. 17; Chomedy, Oct. 31; Colborne, Nov. 14—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To Santiago (Cuba) and Kingston (Jamaica).—Kirsten B., Oct. 19; a steamer, Nov. 2—both Packford & Black Ltd. (also call at Jamaican outports as cargo offers).

To Far East Ports.—Chinese Prince, Furness-Prince Line, Oct. 22; Silveryew, Silver Line, Nov. 3.

From Saint John

To Liverpool.—Manchester Brigade, Manchester Line, Oct. 31.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Hawkins, Oct. 26; Lady Drake, Nov. 9; Lady Nelson, Nov. 23—all Canadian National.

To Kingston and Jamaican Outports.—Crawford Ellis, United Fruit Co., Oct. 21 (cargo accepted for Caribbean, Central and South American ports with transhipment at Kingston).

From Vancouver

To Yokohama, Kobe and Osaka.—Heian Maru, Oct. 29; Hikawa Maru, Nov. 19; Hie Maru, Dec. 3—all Nippon Yusen Kaisha.

To Yokohama, Kobe, Shanghai, Hongkong and Manila.—Empress of Asia (calls at Nagasaki), Oct. 29; Empress of Canada (calls at Honolulu), Nov. 12; Empress of Russia (calls at Nagasaki), Nov. 26; Empress of Japan (calls at Honolulu), Dec. 10—all Canadian Pacific; Ixion, Nov. 3; Talthybius, Dec. 3—both Blue Funnel Line (call at Miike but not at Manila).

To Honolulu, Suva, Auckland and Sydney.—Niagara, Oct. 26; Aorangi, Nov. 23—both Canadian-Australasian Line.

To Manila, Iloilo, Cebu, Soerabaya, Samarang, Batavia, Colombo and Bombay.—Silverlaurel (calls at Belawan Deli. will also call at Singapore and Port Swettenham if cargo offers), Oct. 24; Hoegh Silverlight (calls at Saigon, Singapore and Persian Gulf ports, also at Port Swettenham and Belawan Deli if cargo offers), Nov. 1; Silverbeech (calls at Belawan Deli, also at Singapore, Port Swettenham and Penang if cargo offers), Nov. 25—all Silver-Java Pacific Line.

To Papeete, Auckland, Wellington, Dunedin, Melbourne and Sydney.—Limerick (calls at Lyttelton but not at Dunedin), Oct. 20; a steamer (does not call at Papeete), November—both Canadian-Australasian Line.

To Brisbane, Sydney, Melbourne and Adelaide.—Eknaren, Nov. 23; a steamer, December—both Empire Shipping Co. Ltd.

To London, Liverpool and Rotterdam.—A steamer, North Pacific Coast Line, Oct. 29 (will call at Southampton if inducements offer).

To Antwerp, Hamburg and Bremen.—Weser, Nov. 1; Donau, Nov. 29—both North German Lloyd Line; Vancouver, Oct. 19; Oakland, Nov. 21—both Hamburg-American Line.

To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.—Wisconsin, Oct. 24; Barfleur, Oct. 31; San Francisco, Nov. 1; Oregon, Nov. 14; San Antonio, Nov. 23—all Empire Shipping Co. Ltd.

To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.—Rialto, Nov. 6; Cellina, Dec. 4—both Empire Shipping Co. Ltd.

To Port of Spain (Trinidad) and Bridgetown (Barbados).—A steamer, Canadian Transport Co., November.

To Cape Town, Port Elizabeth, East London, Durban and Lourenco Marques.—Modjokerto, Nov. 5; Silverpalm, Dec. 6—both Silver-Java Pacific Line (call at Beira and Calcutta, will also call at Colombo and Madras if sufficient cargo offers).

To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.—Leikanger, Oct. 27; Evanger, Nov. 28—both Empire Shipping Co. Ltd. (will call at West Coast ports if sufficient cargo offered).

COMMERCIAL INTELLIGENCE SERVICE

L. D. WILGRESS, *Director*

Argentina

J. A. STRONG, B. Mitre 430, Buenos Aires (1). (Territory includes Uruguay.) *Cable address, Canadian.*

Australia

Sydney: L. M. COSGRAVE. Address for letters—P.O. Box No. 3952V. Office—City Mutual Life Building, Hunter and Bligh Streets. (Territory includes the Australian Capital Territory, New South Wales, Queensland, Northern Territory and Dependencies.) *Cable address, Canadian.*

Melbourne: FREDERICK PALMER. Address for letters—Box 196C, G.P.O. Office—Safe Deposit Office Building. (Territory includes States of Victoria, South Australia, Western Australia, and Tasmania.) *Cable address, Canadian.*

Belgium

YVES LAMONTAGNE, Shell Building, 60 Ravenstein Street, Brussels. *Cable address, Canadian.*

Brazil

L. S. GLASS. Address for letters—Caixa Postal 2164, Rio de Janeiro. Office—Ed. Da. "A. Noite," Sala 802, Praca Maua. *Cable address, Canadian.*

British India

PAUL SYKES. Address for letters—P.O. Box 2003, Calcutta. Office—23 Esplanade Mansions, Government Place East, Calcutta. (Territory includes Burma and Ceylon.) *Cable address, Canadian.*

British Malaya

B. C. BUTLER, Union Building, Singapore, Straits Settlements. (Territory includes the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India.) *Cable address, Canadian.*

British West Indies

Trinidad: M. B. PALMER. Address for letters—P.O. Box 125, Port of Spain. Office—Barclay's Bank Building. (Territory includes Barbados, Windward and Leeward Islands, and British Guiana.) *Cable address, Canadian.*

Jamaica: F. W. FRASER, P.O. Box 225, Kingston. Office—Canadian Bank of Commerce Chambers. (Territory includes Haiti, the Bahamas, and British Honduras.) *Cable address, Canadian.*

China

H. A. SCOTT. Address for letters—P.O. Box 264, Shanghai. Office—Ewo Building, 27 The Bund, Shanghai. (Territory includes Central China and North China.) *Cable address, Canadian.*

Cuba

C. S. BISSETT. Address for letters—Apartado 1945, Havana. Office—Royal Bank of Canada Building, Calle Aguiar 75, Havana. (Territory includes Dominican Republic and Puerto Rico.) *Cable address, Canadian.*

Egypt

HENRI TURCOT. Address for letters—P.O. Box 1770, Cairo. Office—22 Shari Kasr el Nil, Cairo. (Territory includes the Sudan, Palestine, Cyprus, Iraq, Syria, Iran, Greece, Turkey, Bulgaria, and Roumania.) *Cable address, Canadian.*

France

HERCULE BARRÉ, Commercial Attaché, 3 rue Scribe, Paris (9). (Territory includes French Colonies in North Africa.) *Cable address, Cancomac.*

Germany

J. C. MACGILLIVRAY, Bendlerstrasse 38, Berlin, W. 35. (Territory includes Czechoslovakia and Poland.) *Cable address, Cantracom.*

Hongkong

V. E. DUCLOS. Address for letters—P.O. Box 80, Hongkong. Office—Hongkong and Shanghai Bank Building, Hongkong. (Territory includes South China, the Philippines, and Indo-China.) *Cable address, Canadian.*

Ireland

JAMES CORMACK, 66 Upper O'Connell Street, Dublin, Ireland (*cable address, Canadian*); and 36 Victoria Square, Belfast, Northern Ireland.

CANADIAN GOVERNMENT TRADE COMMISSIONERS—*Con.*

Italy

A. B. MUDDIMAN. Via Manzoni Nr. 5, Milan (102). (Territory includes Spain, Portugal, Gibraltar, Malta, Albania, and Yugoslavia.) *Cable address, Canadian.*

Japan

Tokyo: C. M. CROFT, Commercial Secretary. Address for letters—P.O. Box 18, Akasaka Post Office, Tokyo. Office—Canadian Legation, 16 Omotecho, 3-chome, Akasakaku Tokyo. *Cable address, Canadian.*

Kobe: P. V. McLANE. Address for letters—P.O. Box 230, Kobe. Office—309 Crescent Building, 72 Kyomachi, Kobe. *Cable address, Canadian.*

Mexico

R. T. YOUNG. Address for letters—Apartado Num. 126-Bis, Mexico City. Office—Edificio Banco de Londres y Mexico, Num. 30, Mexico City. (Territory includes Guatemala, Honduras, and Salvador.) *Cable address, Canadian.*

Netherlands

J. A. LANGLEY, Coolsingel 111b, Rotterdam. (Territory includes Switzerland.) *Cable address, Canadian.*

New Zealand

W. F. BULL. Address for letters—P.O. Box 33, Auckland. Office—Yorkshire House, Shortland Street, Auckland. (Territory includes Fiji and Western Samoa.) *Cable address, Canadian.*

Norway

RICHARD GREW, Stortingsgaten 28, Oslo. (Territory includes Sweden, Denmark, and Finland.) *Cable address, Canadian.*

Panama

W. J. RIDDIFORD. Address for letters—P.O. Box 222, Panama City. Office—Royal Bank of Canada Building, Santa Ana Plaza, Panama City. (Territory includes the Canal Zone, Venezuela, Colombia, Nicaragua, and Costa Rica.) *Cable address, Canadian.*

Peru

M. J. VECHSLER. Address for letters—Casilla 1212, Lima. Office—Portal de Belén No. 166, Plaza San Martin, Lima. (Territory includes Bolivia, Ecuador, and Chile.) *Cable address, Canadian.*

South Africa

Cape Town: G. R. HEASMAN. Address for letters—P.O. Box 683. Office—Cleghorn & Harris Building, Adderley Street. (Territory includes Cape Province and Southwest Africa, Natal, Tanganyika, Kenya, Uganda, Mauritius, and Madagascar.) *Cable address, Cantracom.*

Johannesburg: J. L. MUTTER. Address for letters—P.O. Box 715. Office—Prudential Assurance Bldg., 92 Fox Street. (Territory includes Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland.) *Cable address, Cantracom.*

United Kingdom

London: FREDERIC HUDD, Chief Trade Commissioner in the United Kingdom, Canada House, Trafalgar Square, S.W.1. *Cable address, Sleighing, London.*

London: J. H. ENGLISH, Trade Commissioner, Canada House, Trafalgar Square, S.W.1. (Territory includes Home Counties, Southeastern Counties, and East Anglia.) *Cable address, Sleighing, London.*

London: W. B. GORNALL, Fruit Trade Commissioner, Aldine House, Bedford Street, Strand, W.C.2. *Cable address, Canfrucum.* (Territory—for fresh fruit only—includes United Kingdom, Norway, Denmark, Sweden, France, Holland, Belgium, and Germany.)

London: W. A. WILSON, Animal Products Trade Commissioner, Canada House, Trafalgar Square, S.W.1. *Cable address, Agrilson.*

Liverpool: ACTING TRADE COMMISSIONER, Martins Bank Building, Water Street. (Territory includes North of England, Lincolnshire, North Midlands, and North Wales.) *Cable address, Canadian.*

Bristol: E. L. MCCOLL, Northcliffe House, Colston Avenue. (Territory includes West of England, South Wales, and South Midlands.) *Cable address, Canadian.*

Glasgow: G. B. JOHNSON, 200 St. Vincent Street. (Territory covers Scotland.) *Cable address, Cantracom.*

United States

D. S. COLE, British Empire Building, Rockefeller Center, New York City. (Territory includes Bermuda.) *Cable address, Cantracom.*

Note.—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.

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Vol. LIX

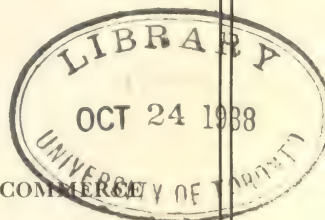
Ottawa, October 22, 1938

No. 1812



Canadian Canned Goods loaded on Bullock Carts at Kidderpore
Docks, Calcutta

ISSUED BY AUTHORITY OF
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE
JAMES G. PARMELEE, DEPUTY MINISTER



CONTENTS

	Page
Foreign Trade of the United States, January to June.....	705
Trade of Barbados in 1937	711
Trade Commissioners on Tour	715
Canada's Domestic Exports to the United States of Principal Commodities affected by the Canada-United States Trade Agreement: September and Nine Months ended September, 1937 and 1938	716
Business Conditions in Northern Ireland	720
Australian Wheat and Flour	721
Trading Centres of India	722
Wheat and Flour Trade Regulation in France	724
Canned Tomato Products Market in the Netherlands	729
Royal Netherlands Industries Fair	731
Palestine Trade in Radio Receiving Sets	731
Economic Situation in Mexico	732
Trade of the Dominican Republic in 1937	733
Production of Paper in Argentina	738
Wheat and Flour Trade Regulation in Japan	740
Tariff Changes and Customs Regulations	744
Foreign Exchange Quotations	747
Trade Inquiries for Canadian Products	748
Proposed Sailings from Canadian Ports	748
Commercial Intelligence Service	751

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Vol. LIX

Ottawa, October 22, 1938

No. 1812

FOREIGN TRADE OF THE UNITED STATES, JANUARY-JUNE, 1938

D. S. COLE, CANADIAN TRADE COMMISSIONER

New York, October 7, 1938.—Maintained principally by large shipments of agricultural products, the export trade of the United States for the first half of 1938 was higher both in quantity and value than for the same period of 1937. It showed an increase of 11.9 per cent in quantity but a decrease of 6.9 per cent in average price as compared with the 1937 period. Due to reduced purchases of raw materials and semi-manufactured goods, however, there was a large slump in imports, which fell 37.1 per cent in quantity and 7.7 per cent in average price.

Total exports for the first six months of 1938 amounted in value to \$1,571,467,000, an increase of 3.6 per cent over the value of \$1,507,365,000 in the corresponding period of 1937. Monthly figures indicate, however, a steady decline from January. The value of imports for consumption in the United States for the first six months was \$943,315,000, compared with \$1,621,749,000 for the like period of 1937, a decrease of 41.8 per cent. Adding in re-exports of \$20,670,000, the total trade for the first half of 1938 amounted to \$2,535,452,000, a decrease of 19.6 per cent from the total of \$3,158,311,000 in the 1937 period.

GOLD AND SILVER MOVEMENT

Disturbed and uncertain world conditions coupled with the United States industrial position are reflected in the gold and silver movements. Imports of gold amounted to \$247,974,000 compared with \$1,029,000 in the 1937 period. Of the total gold imports this year \$90,337,000 arrived from the United Kingdom, \$55,525,000 from Japan, \$21,741,000 from Sweden, \$13,122,000 from Mexico, \$12,648,000 from the Philippines, \$11,234,000 from Australia, and \$10,297,000 from Belgium. There was a conspicuous absence of shipments from Canada, which last year shipped \$64,060,000 in the same period.

Imports of silver amounted to \$111,531,000 in the January-June period of 1938, of which \$67,071,000 was received from the United Kingdom and \$27,578,000 from Mexico.

Exports of gold and silver from the United States during the 1938 period were relatively negligible.

PRINCIPAL MARKETS

United States exports to the six grand divisions or land areas of the world were only slightly over those of 1937, but considerable change occurred in their distribution. Exports to Europe, South America, and Oceania increased by 15.1 per cent, 14.9 per cent, and 8.9 per cent, respectively, but those to North America, Asia and Africa fell 5.1 per cent, 8.9 per cent and 13.7 per cent, respectively.

The following tables show the values of United States exports to various British Empire countries and to other principal foreign countries for the first six months of 1938 as compared with the corresponding period of 1937:—

Exports to British Empire Countries

	Jan.-June, 1938	Jan.-June, 1937	Inc. or Dec. Per Cent
Total to all countries	\$1,592,137,000	\$1,536,380,000	+ 3.6
Canada*	241,460,000	243,852,000	— 0.9
United Kingdom	255,566,000	207,626,000	+ 23.0
Ireland	16,412,000	3,455,000	+375.0
Australia	35,842,000	31,902,000	+ 12.0
New Zealand	11,396,000	11,125,000	+ 2.4
Union of South Africa	36,137,000	41,640,000	— 13.0
British India	18,446,000	17,936,000	+ 2.5
Trinidad and Tobago	3,748,000	3,530,000	+ 7.5

Exports to Other Principal Foreign Countries

	Jan.-June, 1938	Jan.-June, 1937	Inc. or Dec. Per Cent
Argentina	\$ 49,537,000	\$ 39,857,000	+ 24.0
Brazil*	30,657,000	28,919,000	+ 6.0
France*	67,898,000	74,935,000	— 9.3
Germany (including Austria)	49,826,000	54,249,000	+ 11.0
Belgium*	42,432,000	44,234,000	— 4.0
Netherlands*	51,656,000	42,638,000	+ 22.0
Italy	29,843,000	40,461,000	— 26.0
Soviet Russia	37,789,000	18,924,000	+100.0
Japan	125,144,000	165,519,000	— 24.0
China	21,525,000	31,355,000	— 31.0

* Countries having reciprocal trade agreements with the United States.

According to the Department of Commerce, United States exports to the two most important customers, the United Kingdom and Canada, showed divergent trends as compared with the similar period of 1937. The United Kingdom took 16.1 per cent of total exports with purchases amounting to \$255,566,000, an increase of 23 per cent over the value of \$207,626,000 for the like period of 1937. On the other hand, shipments to Canada amounted to 15.2 per cent of the total exports and were valued at \$241,460,000, a decline of 0.9 per cent from the value of \$243,852,000 for the first six months of 1937. Exports to Australia rose 12 per cent, to New Zealand 2.4 per cent, British India 2.5 per cent, and Ireland 375 per cent, while exports to the Union of South Africa showed a decrease of 13 per cent.

Exports to other principal foreign countries showed increases of 6 per cent for Brazil, 22 per cent for the Netherlands, 24 per cent for Argentina, and 100 per cent for Russia, and decreases of 4 per cent for Belgium, 9.3 per cent for France, 11 per cent for Germany, including Austria, 24 per cent for Japan, 26 per cent for Italy, and 31 per cent for China.

EXPORTS OF PRINCIPAL COMMODITIES

The following table gives the values of the twenty chief commodities exported from the United States in the January-June period of 1938 compared with the corresponding period of 1937:—

Twenty Chief Exports according to Value

	Jan.-June, 1938	Jan.-June, 1937	Inc. or Dec. Per Cent
Automobiles, parts and accessories (9.9)	\$155,589,000	\$176,060,000	— 11.6
Unmanufactured cotton (7.6)	118,891,000	175,849,000	— 32.4
Corn (4.1)	64,347,000	145,000	+44,277.2
Crude petroleum (3.8)	59,170,000	40,373,000	+ 46.6
Electrical machinery and apparatus (3.3)	51,727,000	55,125,000	— 6.2
Wheat (3.2)	50,903,000	1,747,000	+ 2,813.7
Leaf tobacco (3.2)	50,882,000	35,905,000	+ 41.7
Power driven metal working machinery (3.1)	49,052,000	27,770,000	+ 76.6
Gasolene and other petroleum motor fuel (3.1)	49,034,000	35,352,000	+ 38.7

Twenty Chief Exports—Concluded

	Jan.-June, 1938	Jan.-June, 1937	Inc. or Dec. Per Cent	
Agricultural machinery and implements (2.7)	41,810,000	34,505,000	+	21.2
Aircraft parts and accessories (2.4)	37,122,000	16,291,000	+	127.9
Lubricating oil (2.3)	35,622,000	43,465,000	—	18.0
Refined copper in ingots, bars, etc. (2.0)	31,788,000	38,335,000	—	17.1
Gas oil and fuel oil (1.8)	29,057,000	24,342,000	+	19.4
Iron and steel scrap (1.8)	28,099,000	40,896,000	—	31.3
Coal and coke (1.6)	24,834,000	29,880,000	—	16.9
Well and refinery machinery (1.4)	21,272,000	16,641,000	+	27.8
Iron and steel plates, sheets, skelp and strips (1.3)	20,864,000	24,675,000	—	15.4
Cotton cloth, duck and tire fabric (1.0)	15,647,000	13,861,000	+	12.9
Boards, planks and scantlings (1.0)	15,104,000	24,849,000	—	39.2

Figures in parentheses after name of commodity indicate percentage of total value of domestic exports.

During the first half of 1938 the two groups, crude foodstuffs and manufactured foodstuffs, were the only ones with substantial quantity export increases over the 1937 period. Semi-manufactures showed a decline, accounted for by the decreases in exports of leather, lumber, naval stores and wood pulp.

Shipments of automobiles, parts and accessories maintained first place among the United States exports, although their value of \$155,589,000 was 12 per cent below the total of \$176,060,000 for the first six months of 1937. There was a decline of 25 per cent and 11 per cent, respectively, in the number of passenger cars and motor trucks exported. Both automobile engines and tires showed losses from the previous year's exports.

During the first six months of 1938 exports of unmanufactured cotton declined both in quantity and value, due to curtailed mill activity abroad combined with a world record carryover. The total value of \$118,891,000 is probably the smallest for the half year period in the present century and is 32.4 per cent below the export value of \$175,849,000 for the corresponding period of 1937.

FARM PRODUCTS

For the first time in several years the United States has had available for export large surpluses of farm products, especially grains. Coming at a time of crop shortage abroad, the exports of farm commodities have been a feature of the first six month's trade of 1938. Corn, which reached the highest rank it has attained since 1922 when it occupied second place, was the third leading export for the half year and amounted to 97,511,000 bushels valued at \$64,347,000. However, the average export price of corn had fallen from \$1.89 to 66 cents per bushel. Shipments abroad of wheat totalled 50,334,000 bushels valued at \$50,903,000 as against 14,355,000 bushels at \$1,747,000 in the like period of 1937. Other foodstuffs showing substantial gains during the period under review included barley, oats, rye, milled rice, oranges, grapefruit, apples and prunes, while canned fruit shipments showed a decline of 9 per cent below the six months period of 1937.

MACHINERY

Exports of most lines of machinery continued to move forward in large volume. Power driven metal working machinery valued at \$49,052,000 showed a gain of 76.6 per cent over the 1937 period. Exports of agricultural machinery and implements totalled \$41,810,000, a gain of 21.2 per cent over the 1937 value of \$34,505,000. Shipments of well and refinery machinery increased 27.8 per cent, and construction and conveying machinery 27.2 per cent. On the other hand, exports of electrical machinery and apparatus, totalling \$51,727,000 in the 1938 period, showed a decline of 6.2 per cent from the 1937 value of \$55,125,000, and mining and quarrying machinery declined 4.2 per cent to \$8,002,000 for the 1938 period.

There was a steady gain in demand for United States aircraft and accessories, the 1938 value being \$37,122,000 as against \$16,291,000 for the like period of 1937.

Exports of leaf tobacco, the seventh chief export by value, amounted to 179,207,000 pounds at \$50,882,000 as compared with 153,505,000 pounds at \$35,905,000 in the 1937 period, a gain of 16.7 per cent by quantity and 41.7 per cent by value.

METALS AND METAL PRODUCTS

United States exports of metals and metal products for the first half of 1938 were well below the unusually large exports for the 1937 period. Iron and steel scrap exports declined 31.3 per cent from the 1937 value of \$40,896,000 to \$28,099,000 for the 1938 period. Iron and steel plates, sheets, skelp and strips recorded a decrease of 15.4 per cent from the 1937 value of \$24,675,000. Small gains were made in the exports of structural steel and iron, bars and rods, and steel ingots, blooms and slabs.

A heavy foreign demand for refined copper, partly for military uses, was maintained and shipments for the first half of 1938 amounted to 326,906,000 pounds at \$31,788,000 as compared with 280,458,000 pounds at \$38,335,000 for the corresponding period of 1937, an increase of 16.6 per cent in quantity but a decrease of 17.1 per cent in value. The average export price of copper dropped from 14 cents to 10 cents per pound. The decline was attributed to slack domestic demand.

OILS

There was a good foreign demand for petroleum products with the exception of lubricating oils. Shipments of crude petroleum set a new high mark of 40,176,000 barrels valued at \$59,170,000 as compared with 28,417,000 barrels at \$40,373,000 for the January-June period of 1937, a gain of 41.3 per cent in quantity and 46.6 per cent in value. Exports of gasoline, gas and fuel oil, natural gasoline, and illuminating oil showed increases in quantity over the 1937 period. Lubricating oil, valued at \$35,622,000, decreased 18 per cent from the 1937 half year value of \$43,365,000.

Other commodities showing increases were textiles, boots and shoes, fertilizers and crude sulphur. Exports of industrial chemicals, pigments, paints and varnishes, and medicinal and pharmaceutical preparations registered decreases in total value. Coal and coke exports declined, as well as shipments of boards, planks and scantlings, sawed timber and logs.

IMPORT TRADE

The total value of imports into the United States for the first half of 1938 amounted to \$943,315,000 as compared with \$1,621,749,000 for the corresponding period of 1937, a decline of 41.8 per cent. The decline in imports ranged from 38.7 per cent for North America to 83.9 per cent for Oceania.

The following tables show the value of United States imports from British Empire countries and other principal foreign countries for the first six months of 1938 as compared with the corresponding period of 1937:—

Imports from British Empire Countries

	Jan.-June, 1938	Jan.-June, 1937	Inc. or Dec. Per Cent
Total from all countries	\$943,315,000	\$1,623,946,000	— 41.8
Canada*	114,341,000	208,997,000	— 45.0
United Kingdom	52,800,000	109,742,000	— 52.0
British Malaya	62,607,000	115,472,000	— 46.0
Australia	3,250,000	28,015,000	— 88.0
New Zealand	2,915,000	12,862,000	— 77.0
South Africa	9,811,000	8,304,000	+ 18.0
British India	30,623,000	55,154,000	— 45.0

Imports from other Principal Foreign Countries

	Jan.-June, 1938	Jan.-June, 1937	Inc. or Dec. Per Cent
Argentina	\$ 20,165,000	\$ 82,410,000	— 76.0
Brazil*	46,959,000	60,717,000	— 23.0
France*	23,499,000	35,961,000	— 48.0
Germany (including Austria)	28,593,000	43,679,000	— 34.0
Belgium*	18,433,000	41,901,000	— 56.0
Netherlands*	11,605,000	28,406,000	— 59.0
Italy	21,622,000	24,495,000	— 12.0
Soviet Russia	8,440,000	12,293,000	— 31.0
Japan	60,829,000	106,340,000	— 43.0
China	21,677,000	59,482,000	— 64.0

* Countries having reciprocal trade agreements with the United States.

With one exception there were declines in imports from the seven leading British Empire countries. Imports from Canada amounted to \$114,341,000 for the first half of 1938, as compared with \$208,997,000 for the corresponding period of 1937, a decline of 45 per cent. Those from British Malaya, next in size to imports from Canada, totalled \$62,607,000, a decrease of 46 per cent, while those from the United Kingdom amounted to \$52,800,000, showing a decline of 52 per cent. Other decreases reported for British Empire countries were: Australia, 88 per cent; New Zealand, 77 per cent; and British India, 45 per cent. On the other hand imports from South Africa rose 18 per cent and smaller gains were recorded in purchases from Newfoundland and East Africa.

Imports from other principal foreign countries showed declines ranging from 12 to 76 per cent. The chief ones were: Argentina, 76 per cent; China, 64 per cent; Netherlands, 59 per cent; Belgium, 56 per cent; France, 48 per cent; Japan, 43 per cent; Germany, including Austria, 34 per cent; Soviet Russia, 31 per cent; Brazil, 23 per cent; and Italy, 12 per cent.

IMPORTS OF PRINCIPAL COMMODITIES

The following table shows the value of the chief commodities imported into the United States in the January-June period of 1938 as compared with the corresponding period of 1937:—

Twenty Chief Imports according to Value

	Jan.-June, 1938	Jan.-June, 1937	Inc. or Dec. Per Cent
Cane sugar (7.9)	\$74,626,000	\$106,279,000	— 29.8
Coffee (7.4)	69,891,000	87,101,000	— 19.8
Crude rubber and latex (7.3)	68,935,000	115,971,000	— 40.6
Newsprint paper (4.9)	45,834,000	56,853,000	— 19.4
Raw silk (4.1)	39,126,000	58,283,000	— 32.9
Wood pulp (3.3)	31,558,000	46,156,000	— 31.6
Tin bars, blocks and pigs (2.3)	21,877,000	52,239,000	— 58.1
Liquors, distilled (2.3)	21,442,000	26,407,000	— 18.8
Undressed and dressed furs (2.1)	19,779,000	52,836,000	— 62.2
Copper ore, concentrates and regulus (2.0)	19,111,000	18,823,000	+ 1.5
Unmanufactured tobacco (1.7)	16,114,000	17,053,000	— 5.5
Meat and meat products (1.6)	15,530,000	21,008,000	— 26.1
Bananas (1.6)	14,700,000	15,922,000	— 7.7
Burlaps (1.5)	14,247,000	22,129,000	— 35.6
Fish (1.4)	13,267,000	17,221,000	— 23.0
Raw hides and skins except furs (1.2)	11,661,000	41,616,000	— 72.0
Fertilizers except nitrate of soda (1.2)	11,183,000	16,953,000	— 34.0
Diamonds, including industrial (1.1)	10,780,000	25,745,000	— 58.1
Flaxseed (1.1)	10,025,000	21,322,000	— 53.0
Tea (1.0)	9,346,000	10,950,000	— 14.6

Figures in parentheses after name of commodity indicate percentage of total value of imports.

All groups of imports in the January-June period of 1938 showed declines in quantity from the corresponding period of 1937. Crude materials were down 39.5 per cent, semi-manufactures 42.4 per cent, finished manufactures 32.6 per cent, manufactured foodstuffs 29.5 per cent, and crude foodstuffs 36.5 per cent. Nearly all the chief imported commodities also showed declines in quantity and value. The recession in business activity caused a drop in the imports of raw materials and partly finished products, while imports of many agricultural products, particularly grains, declined due to ample domestic supplies. Declines in values ranged from 12 per cent for machinery and vehicles to 60 per cent for hides and skins and other inedible animal products.

Imports of cane sugar amounted to 3,167,864,000 pounds valued at \$74,626,000 as compared with 3,936,834,000 pounds valued at \$106,279,000 in the first six months of 1937. With one exception they were the lowest receipts in more than a decade. Receipts of coffee for the first half of this year established a high mark of 1,012,767,000 pounds valued at \$69,891,000, being 3.8 per cent in quantity above the 1937 imports of 975,853,000 pounds valued at \$87,101,000. The decrease in value is accounted for by a decline in the import price from 8.9 cents to 6.9 cents per pound. Imports of crude rubber fell from first place to third place in value and were the smallest since 1933. Total imports of crude rubber amounted to 486,356,000 pounds valued at \$68,935,000 as compared with 607,998,000 pounds at \$115,971,000 in the same period of 1937, a decrease of 20 per cent in volume and 40.6 per cent in value.

Imports of standard newsprint paper were the smallest in quantity since 1933, amounting to 2,078,702,000 pounds valued at \$45,834,000 as compared with 3,093,189,000 pounds at \$56,853,000 for the like period of 1937, a decrease of 32.8 per cent in quantity and 19.4 per cent in value. The half-year imports of wood pulp amounted to 721,000 tons at \$31,558,000 as compared with 1,165,782 tons at \$46,156,000 in the corresponding period of 1937, a decline of 38.1 per cent in weight and 31.6 per cent in value.

Raw silk imports amounted only to 24,380,000 pounds at \$39,126,000 and were the smallest since 1924. Imports of tin in bars, blocks and pigs declined heavily, receipts being 54,391,000 pounds at \$21,877,000, a decrease of 46.2 per cent in weight and 58.1 per cent in value from the 1937 period. Raw furs registered one of the sharpest decreases among the imports for 1938, the value being \$11,661,000 or 72 per cent below the value of \$41,616,000 in the first six months of 1937.

Imports of distilled liquors amounted to 5,201,000 gallons valued at \$21,442,000 as compared with 7,097,000 gallons at \$26,407,000 for the 1937 period, a decline of 26.7 per cent in volume and 18.8 per cent in value.

Copper ores and concentrates, the tenth leading import commodity of the United States, was one of the few items to show an increase. It is interesting to note that about 92 per cent of these imports were re-exported after smelting and refining. Imports totalled 206,401,000 pounds valued at \$19,111,000 as compared with 164,221,000 pounds at \$18,823,000 for the corresponding period of 1937, a gain of 26 per cent in quantity and 1.5 per cent in value. Other items the imports of which registered gains were crude bauxite, chrome ore, creosote oil, copra, binding twine, leather boots and shoes, and crude petroleum, while other commodities the imports of which declined were fertilizers, manufactured asbestos, unmanufactured wool, raw hides and skins, coal and coke, shingles, sawed boards and other lumber, cattle and meats.

The above report is based on information received from the Foreign Commerce Department, Chamber of Commerce of the United States, and on official statistics published by the Bureau of Foreign and Domestic Commerce of the United States Department of Commerce.

TRADE OF BARBADOS IN 1937

G. A. NEWMAN, ASSISTANT TRADE COMMISSIONER

Port of Spain, Trinidad, September 26, 1938.—With an area of 166 square miles, Barbados is dependent almost entirely on the production of sugar and its by-products, molasses and rum, to support its population of 188,294 inhabitants, 93 per cent of whom are coloured. A record sugar crop of 129,319 tons in 1936 and only a slightly lighter crop of 128,239 tons in 1937 swelled domestic exports in 1937 to their highest value for the past ten years.

The total value of domestic exports for 1937 amounted to £1,498,341 as compared to £1,355,809 in 1936 and £999,726 in 1935. The leading commodities exported were: unrefined sugar, £911,255 (£772,046 in 1936); molasses, £554,889 (£546,291); and rum, £10,223 (£10,289).

Because of heavy purchases of fancy molasses and sugar, Canada has for many years been the leading market for exports from Barbados, but in 1937 a reduction in the Canadian imports of sugar and an increase in United Kingdom receipts resulted in the latter country being credited with 40 per cent of the total exports and Canada with 39·4 per cent, as compared with 29·7 per cent and 51·1 per cent respectively in 1936.

SHIPPING

There are direct shipping services between Barbados and the United Kingdom, Europe, South America, the United States, and Canada, and the colony is the centre of a schooner traffic with the adjacent islands. The annual total tonnage of vessels calling at its main port of Bridgetown has not varied to any extent in recent years. In 1937 it amounted to 2,045,060 tons (2,048,716 tons in 1936) and consisted of 599 steamers and 504 sailing vessels as against 610 steamers and 532 sailing vessels in the previous year.

IMPORT TRADE

Total imports into Barbados in 1937 were valued at £2,220,650, the highest figure since 1928 and £216,166 more than in 1936. The following were the main items showing increases, values in round figures: machinery, £101,000 (£73,500 in 1936); lumber, £102,000 (£69,000); iron and steel manufactures, £68,000 (£51,000); electrical apparatus, £54,000 (£41,000); animal feeds, £81,000 (£65,000); motor cars, £46,000 (£40,000); motor trucks, £14,000 (£11,000); paints and colours, £16,000 (£13,000).

The United Kingdom, the main source of supply was credited with £913,471 or 41·2 per cent of the total imports, a gain of £58,447 over the previous year. While shipments to the United Kingdom have fluctuated rather widely from year to year, the trend for the past few years has been upward, and for 1936 and 1937 has been higher than in 1928.

There were few outstanding increases in imports from the United Kingdom in 1937. The most important were in cotton manufactures, the total import value of which amounted to £63,269 (£59,810 in 1936); machinery, £89,733 (£62,725); and sulphate of ammonia, £39,949 (£31,575). There were moderate decreases in imports of apparel, boots and shoes, butter, cotton piece-goods, art silk piece-goods, flour, cigarettes, and cigars.

Imports from the United States were valued at £250,616, an increase of £41,769 over 1936 and 11·3 per cent of total imports. Major imports which showed an increase in 1937 were: oilcake meal, £36,895 (£31,473 in 1936); pitch pine lumber, £24,490 (£18,900); hardware, £12,333 (£10,254); maize and cornmeal, £10,759 (£10,211); and electrical apparatus, £9,927 (£8,732). Moderate declines took place in shooks and staves, motor car parts, and salted pork.

Imports from foreign countries other than the United States have tended to increase during the past ten years. In 1937 imports from such countries were valued at £346,496, or 15·6 per cent of the total import trade, as compared to £207,443, or 9·4 per cent of the total in 1928. This was also an increase of £59,441 over the 1936 figure.

Holland showed the largest increase in imports among foreign countries other than the United States, with a total value of £59,957 as compared to £25,603 in 1936, due largely to heavy shipments of oats and condensed milk.

The main imports from other foreign countries in 1937 were as follows:—

Argentina.—Hams, bacons, salted and fresh frozen meats, and corn, £73,462.

Germany.—Chemical manures (chiefly potash) and glassware, £51,587.

Japan.—Dry goods, £41,865.

France.—Butter and flour, £26,104.

Dutch West Indies.—Crude oil and sheep manure, £24,517.

TRADE WITH CANADA

The value of shipments of sugar and molasses from Barbados to Canada has for many years been more than two to three times that of total imports of Canadian products. A heavy reduction in Canada's imports of sugar in 1937 reduced the adverse balance of trade to £324,600 as compared with £475,955 in 1936. Exports to and imports from Canada since 1933 have been as follows:—

	Domestic Exports to Canada	Imports from Canada for Domestic Consumption
1933	£ 703,385	£205,640
1934	1,021,262	275,603
1935	790,453	258,520
1936	759,342	283,387
1937	647,330	322,730

IMPORTS FROM CANADA

Imports into Barbados from Canada in 1937, valued at £322,730, reached their highest level since 1928 (£485,110), but Canada's percentage of total import trade, which has remained between 14·1 and 14·5 for the past three years, is still well below the 20·7 per cent of 1928.

As will be noted from the detailed figures of imports in the appended list of commodities, high prices for Canadian flour in 1937 resulted in a £3,664 decrease in the value of flour imports. Imports of Canadian oats also dropped in value by £6,279, partly accounted for by heavy imports from Holland.

Other Canadian products showing reductions in 1937 were sulphate of ammonia by £5,575; shingles, £5,603; sugar-making machinery, £2,446; and cheese, £721.

These decreases were more than offset by a number of encouraging increases: lumber, £28,104; dried fish, £7,257; canned fish, £2,238.

In addition, Canada's trade in pickled pork, which has been developing steadily in recent years, showed a further increase of £3,004, attaining a total value of £30,021, or 83·6 per cent of total pickled pork imports.

Motor car and truck imports from Canada were increased by £8,950, so that Canadian shipments accounted for 44·9 per cent of the total motor vehicle imports. Coincident with an improving trade in Canadian motor cars, there has been a steady development in the value of imports of Canadian tires and tubes since 1935 at the rate of about £1,000 a year. In 1937 imports from Canada were valued at £4,645 and accounted for 51·3 per cent of the total trade.

The value of rubber-soled canvas shoe imports from Canada has increased at an average rate of £625 per annum since 1934 and attained a total value of £3,256 in 1937. Imports of silk hosiery have also been increasing steadily and in 1937 were valued at £3,507. Other Canadian products which showed a gain were hardware, metal manufactures, painters' colours, and wrapping paper.

DETAILS OF IMPORTS OF INTEREST TO CANADA

Total imports for 1937 (1936 imports within parentheses) of commodities of interest to Canadian shippers, with leading sources of supply, were:—

Biscuits, Unsweetened.—Total, 43,105 lbs., £2,156 (51,948 lbs., £2,597): United Kingdom, £223; Canada, £1,672 (£1,759).

Bran and Pollard.—Total, 3,763,975 lbs., £12,233 (3,518,177 lbs., £12,313): Argentina, £10,333; Canada, £898 (£105).

Cheese.—Total, 111,895 lbs., £4,196 (134,003 lbs., £5,025): Canada, £3,652 (£4,373).

Coffee, Prepared.—Total, 25,419 lbs., £1,588 (24,856 lbs., £1,243): United Kingdom, £338; United States, £816; Canada, £228 (£106).

Confectionery.—Total, £6,027 (£6,423): United Kingdom, £4,882; Canada, £830 (£697).

Canned Fish.—Total, £9,114 (£8,238): United States, £1,567; Japan, £1,509; Canada, £5,609 (£3,371).

Fish, Dried, Salted, or Smoked.—Total, 48,252 quintals of 2.2 lbs., £63,934 (56,637 qtls., £66,548): Newfoundland, £51,012; United Kingdom, £393; Canada, £12,529 (£5,272).

Fish, Fresh.—Total, £186 (£163): Canada, £145 (£110).

Fish, Pickled, Other than Trout or Salmon.—Total, 1,635 brls., £1,717 (1,563 brls., £1,641): Canada, £1,201 (£925).

Fruits, Canned or Bottled.—Total, £2,812 (£1,387): United States, £1,235; Canada, £214 (£139).

Fresh Apples.—Total, 550 brls., £825 (489 brls., £978): United States, £322; Canada, £503 (£682).

Oats.—Total, 5,831,333 lbs., £24,297 (5,082,080 lbs., £17,363): Holland, £13,331 (nil); Canada, £10,497 (£16,776).

Flour, Wheaten or Rye.—Total, 78,468 bags, £94,162 (92,403 bags, £106,263): United Kingdom, £36,728; Australia, £4,238; France, £6,104; United States, £4,012; Canada, £43,074 (£46,738).

Preparations of Grain or Flour, etc.—Total, £5,730 (£5,201): United Kingdom, £1,501; British Malaya, £1,033; Canada, £2,578 (£3,132).

Hay.—Total, 241,182 lbs., £723 (293,253 lbs., £1,233): Canada, £699 (£1,228).

Lard and Lard Substitutes.—Total, 385,973 lbs., £8,041 (365,350 lbs., £7,611): United Kingdom, £7,072; United States, £435; Canada, £521 (£489).

Bacon and Hams.—Total, 374,151 lbs., £18,707 (313,884 lbs., £15,694): Argentina, £9,338; United Kingdom, £6,988; Denmark, £969; Holland, £599; United States, £454; Canada, £185 (£659).

Pork, Salted.—Total, 1,795,650 lbs., £35,913 (1,892,850 lbs., £37,857): Argentina, £3,234; United States, £2,393; Canada, £30,021 (£27,017).

Fresh Meat, including Poultry and Game.—Total, 521,478 lbs., £8,691 (333,266 lbs., £5,554): Argentina, £6,604; Brazil, £1,082; United States, £380; Canada, £355 (£293).

Provisions, Unenumerated.—Total, £8,257 (£7,676): United Kingdom, £3,468; United States, £3,143; Canada, £1,297 (£1,091).

Whisky.—Total, 8,538 gals., £8,538 (6,514 gals., £6,188): United Kingdom, £8,338; Canada, £130 (£462).

Sugar, Refined.—Total, 566,453 lbs., £2,832 (612,857 lbs., £2,604): United Kingdom, £2,625; Canada, £207 (£159).

Vegetables, Canned.—Total, 37,670 lbs., £1,256 (36,259 lbs., £1,209): United States, £370; United Kingdom, £149; Canada, £609 (£646).

Onions, Fresh.—Total, 2,225,753 lbs., £9,273 (2,272,227 lbs., £5,678): Holland, £3,095; Madeira, £2,439; Argentina, £399; Canada, £394 (£1,338).

Potatoes, Fresh.—Total, 3,363,414 lbs., £10,510 (2,595,651 lbs., £6,813): Holland, £2,953; Canada, £5,995 (£3,735).

Wood, Headings.—Total, £3,596 (£5,977): United States, £3,304; Canada, £268 (£1,015).

Douglas Fir, Undressed.—Total, 1,034,406 ft., £9,568 (627,804 ft., £3,767): Canada, £9,197 (£3,762).

Douglas Fir, Dressed.—Total, 2,407,760 ft., £22,272 (1,683,144 ft., £12,623): all from Canada.

Pitch Pine, Undressed.—Total, 2,046,903 ft., £26,610 (1,383,788 ft., £12,455): United States, £16,973; Canada, £9,637 (£243).

Pitch Pine, Dressed.—Total, 668,186 ft., £7,517 (668,825 ft., £6,688): all from the United States.

Other Kinds Undressed, except Hardwood.—Total, 4,216,699 ft., £33,733 (4,548,767 ft., £27,293): Canada, £32,876 (£26,987).

Shingles.—Total number, 12,824,789, £9,779 (19,973,341, £14,980): Canada, £9,139 (£14,742).

Staves and Shooks.—Total, £23,940 (£23,700): United States, £9,837; Canada, £13,958 (£11,223).

Socks and Stockings, First Cost not more than 1s. 6d. per Pair.—Total number, 249,073 pairs, £5,901 (246,208 pairs, £6,206): United Kingdom, £3,363; Hongkong, £1,720; Canada, £804 (£893).

Socks and Stockings, 1s. 6d. to 2s. per Pair.—Total number, 12,391 pairs, £1,736 (9,855 pairs, £1,023): Canada, £1,637 (£916).

Socks and Stockings, First Cost exceeding 2s. per Pair.—Total number, 7,830 pairs, £1,101 (9,869 pairs, £1,377): Canada, £1,066 (£1,149).

Apparel, Other Kinds.—Total, £45,040 (£46,357): Japan, £17,643; United Kingdom, £14,952; United States, £4,519; Hongkong, £4,363; Canada, £2,730 (£2,502).

Cordage.—Total, 162,814 lbs., £3,256 (117,786 lbs., £2,060): United Kingdom, £1,824; Canada, £1,253 (£594).

Twine.—Total, £1,924 (£1,588): United Kingdom, £1,208; Canada, £440 (£305).

Soft Haberdashery and Millinery.—Total, £3,971 (£3,855): United Kingdom, £2,368; Switzerland, £332; Canada, £235 (£296).

Electrical Appliances, Other than Radios and Parts.—Total, £48,346 (£36,052): United Kingdom, £41,265; United States, £5,557; Germany, £437; Canada, £535 (£420).

Metal Furniture.—Total, £13,245 (£10,717): United States, £7,537; United Kingdom, £3,239; Canada, £1,835 (£1,526).

Hardware, other than Hollow-ware, Cutlery, Implements and Tools.—Total, £22,751 (£20,787): United Kingdom, £14,126; United States, £4,655; Germany, £1,426; Canada, £1,135 (£945).

Sugar Machinery.—Total, £71,332 (£54,917): United Kingdom, £67,300; United States, £2,370; Canada, £1,339 (£3,805).

Iron and Steel Bars, Hoops, and Rods.—Total, £7,488 (£6,614): United States, £3,533; United Kingdom, £2,130; Canada, £814 (£199).

Iron and Steel Nails and Rivets.—Total, £5,199 (£4,612): United Kingdom, £1,089; Canada, £3,666 (£3,152).

Wire and Wire Fencing.—Total, £2,621 (£2,106): United Kingdom, £2,034; Canada, £253 (£187).

Other Iron and Steel Manufactures.—Total, £29,853 (£23,368): United Kingdom, £24,646; United States, £1,142; Canada, £1,889 (£557).

Photographic Appliances and Accessories, Other than Films.—Total, £1,591 (£1,362): United Kingdom, £753; United States, £496; Canada, £318 (£201).

Motor Cars.—Total number, 332, £46,312 (288, £40,395): United Kingdom, £23,394; United States, £2,294; Canada, £19,951 (£14,658).

Motor Trucks and Vans.—Total number, 98, £14,445 (83, £11,606): United States, £3,916; United Kingdom, £2,365; Canada, £8,164 (£4,507).

Motor Car Parts.—Total, £9,540 (£9,997): United States, £4,889; United Kingdom, £3,238; Canada, £1,343 (£1,747).

Boots and Shoes, Rubber.—Total number, 277,702 pairs, £16,528 (207,143 pairs, £12,802): Hongkong, £9,925; United Kingdom, £1,564; India, £1,530; Canada, £3,256 (£2,530).

Boots and Shoes, Other Kinds.—Total number, 109,666 pairs, £28,440 (113,020 pairs, £29,173): United Kingdom, £25,625; Hongkong, £772; Canada, £1,116 (£524).

Brooms and Brushes.—Total, £2,642 (£2,264): United Kingdom, £1,617; United States, £186; Canada, £519 (£466).

Cement.—Total, 24,821 brls., £13,651 (24,374 brls., £13,405): United Kingdom, £12,077; Canada, £1,574 (£1,137).

Glass Bottles.—Total, £1,603 (£1,841): United Kingdom, £149; United States, £418; Canada, £913 (£509).

Rubber Tubes and Tires for Motor Vehicles.—Total, £9,059 (£9,141): United Kingdom, £3,446; Canada, £4,645 (£3,179).

Other Kinds Rubber Manufactures.—Total, £1,503 (£1,599): United States, £374; United Kingdom, £224; Canada, £778 (£504).

Leather.—Total, 52,663 lbs., £4,199 (31,260 lbs., £2,502): United Kingdom, £2,440; Dutch West Indies, £576; Australia, £263; Canada, £204 (£250).

Sulphate of Ammonia.—Total, 6,897 tons, £48,279 (6,621 tons, £45,685): United Kingdom, £39,949; Canada, £8,225 (£13,800).

Medicines and Drugs.—Total, £18,654 (£17,565): United Kingdom, £11,116; United States, £5,370; Canada, £1,438 (£1,284).

Lubricating Oil.—Total, 63,395 gals., £7,923 (59,313 gals., £6,178): United Kingdom, £3,515; United States, £3,935; Canada, £220 (£193).

Paints and Colours.—Total, 672,115 lbs., £16,802 (531,726 lbs., £13,291): United Kingdom, £11,609; United States, £1,016; Canada, £4,049 (£1,713).

Printing Paper.—Total, £5,285 (£4,598): United Kingdom, £2,430; Norway, £1,934; Canada, £475 (£360).

Wrapping Paper.—Total, £13,607 (£9,494): United Kingdom, £1,198; Holland, £4,152; Belgium, £2,486; Canada, £2,660 (£1,188).

Paper, Other Kinds.—Total, £10,852 (£9,378): United Kingdom, £6,911; Belgium, £1,722; United States, £925; Canada, £469 (£317).

Fancy Soap.—Total, £3,631 (£2,510): United Kingdom, £2,049; United States, £617; Canada, £827 (£623).

Stationery, Other than Paper.—Total, £3,878 (£2,923): United Kingdom, £2,696; United States, £568; Canada, £388 (£416).

Wooden Furniture.—Total, £8,191 (£5,641): United Kingdom, £2,361; United States, £3,567; Canada, £1,366 (£1,449).

Wood Manufactures, Other Kinds.—Total, £7,448 (£6,160): United States, £2,436; United Kingdom, £1,362; Canada, £2,445 (£1,283).

TRADE COMMISSIONERS ON TOUR

Mr. J. C. Macgillivray, Canadian Trade Commissioner at Berlin, Germany (whose territory includes Czechoslovakia and Poland); and Mr. J. L. Mutter, Canadian Trade Commissioner at Johannesburg, South Africa (whose territory includes the Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland), are visiting the principal industrial centres of Canada in the interest of Canadian trade with their respective territories. Their itineraries are as follows:—

Mr. Macgillivray

Montreal and district... Oct. 24 to 28
Quebec and Levis... Oct. 31
Halifax and Stewiacke... Nov. 2 and 3
Kentville, Wolfville and
Bridgetown... Nov. 4 and 5

St. John and Black's
Harbour... Nov. 8
Toronto and Weston... Nov. 11 to 18
Kitchener... Nov. 21
London and Ingersoll... Nov. 22

Mr. Mutter

Montreal and district... Oct. 24 to 29
Ottawa and Carleton
Place... Oct. 31
Renfrew and Pembroke... Nov. 1
Brockville, Kingston and
Picton... Nov. 2
Oshawa, Bowmanville and
Cobourg... Nov. 3
Orillia, Gravenhurst and
Huntsville... Nov. 4

Toronto and district... Nov. 7 to 19
Guelph... Nov. 21
Kitchener and district... Nov. 22 to 24
London and district... Nov. 25 and 28
Paris and Brantford... Nov. 28
Hamilton, Simcoe and
Winona... Nov. 29 and 30
Galt... Dec. 1
St. Catharines and
Welland... Dec. 2

Firms who wish to be brought in touch with the Trade Commissioners should communicate: for Toronto, with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other centres, with the respective Board of Trade or Chamber of Commerce.

**CANADA'S DOMESTIC EXPORTS TO THE UNITED STATES OF PRINCIPAL COMMODITIES AFFECTED BY THE CANADA-UNITED STATES TRADE AGREEMENT
EFFECTIVE FROM JANUARY 1, 1936; ALSO UNITED STATES TARIFF RATES IN FORCE. (MONTH OF SEPTEMBER, AND THE NINE MONTHS ENDED
SEPTEMBER 30, 1937 AND 1938)**

(COMPILED BY THE EXTERNAL TRADE BRANCH, DOMINION BUREAU OF STATISTICS; AND THE FOREIGN TARIFFS DIVISION)

Commodities	Month of September				Nine months ended September				United States Tariff	
	1937		1938		1937		1938		1935	Canada-United States Trade Agreement (Jan. 1, 1936)
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value		
AGRICULTURAL AND VEGETABLE PRODUCTS										
Fruits—				\$		\$		\$		
Apples, green or ripe..... Brl.	1,614	3,760	1,562	3,186	2,286	6,923	2,607	5,901	25c. per bu. 50 lbs.	15c. per bu. 50 lbs.
Strawberries, fresh..... Lb.	4,500	382			1,398,912	94,248	797,223	56,727	1½c. per lb.	4c. per lb.
Grain products—										
Bran, shorts and middlings..... Cwt.	3,591	5,377	30,224	22,673	1,451,690	2,166,521	63,388	51,833	10% ad val.	10% ad val.
Cereal foods, prepared, all kinds..... Cwt.	44,180	5,975	14,317	8,290	611,287	49,408	425,978	97,489	20% ad val.	15% ad val.
Screenings..... Cwt.	1,170	16,951	439	4,524	133,492	465,559	12,889	95,417	10% ad val.	10% ad val.
Hay..... Ton	610,430	7,075	690,014	2,746	2,944,652	900,253	6,781,545	1,087,083	\$5 per ton (2,000 lbs.)	\$3 per ton (2,000 lbs.)
Maple sugar..... Lb.		85,816		100,487		425,313			4c. per lb.	4c. per lb.
Seeds—										
Clover seed, alfalfa..... Bush.	4,745	59,302	2	23	26,808	332,664	17,866	292,206	8c. per lb.	4c. per lb.
Clover seed, alsike..... Bush.	1,536	17,950			17,054	177,157	2,037	22,947	8c. per lb.	4c. per lb.
Grass seed..... Bush.	3,152	5,428	15,730	17,866	39,384	99,629	62,107	116,419	2c. per lb.	4c. per lb.
Vegetables—										
Certified seed potatoes..... Bush.	30,172	31,890	3,488	2,113	342,347	363,510	191,318	101,736	75c. per 100 lbs.	45c. per 100 lbs. Mar. 1 to Nov. 30, if certified seed;
										60c. per 100 lbs. Dec. 1 to last day of Feb., if certified seed;
										75c. per 100 lbs. on im-
										ports of certified seed
										in excess of 750,000 bu.
										during each twelve-
										month period, begin-
										ning Dec. 1, in any
										year.
Potatoes, n.o.p..... Bush.	42	21	21,005	15,752	325,603	237,109	143,281	71,199	75c. per 100 lbs.	75c. per 100 lbs.
Turnips..... Bush.	229,212	76,280	285,845	97,171	1,284,863	416,021	1,329,662	480,255	25c. per 100 lbs.	12½c. per 100 lbs.
Whiskey..... Pt. gal.	451,289	1,753,083	165,804	704,737	3,460,940	13,179,225	1,706,895	6,887,431	\$5 per pt. gal.	\$2.50 per pt. gal. if aged
										in wooden containers
										for at least four years;
										\$5 per pt. gal. if other-
										wise.
ANIMALS AND ANIMAL PRODUCTS										
Animals, living—										
Dairy cattle, n.o.p.—										
Weighing 175 to 700 lbs..... No.	9	415	7	300	115	4,354	69	2,644	2½c. per lb. 175 to 700 lbs.	3c. per lb. 175 to 700 lbs.
Weighing over 700 lbs..... No.	946	67,200	923	61,074	4,675	294,060	4,949	320,475	3c. per lb. if over 700 lbs.	3c. per lb. if over 700 lbs.
										on imports in excess of
										20,000 head during any
										calendar year.

Cattle, n.o.p.— Weighing less than 175 lbs.	No	5, 878	98, 097	3, 292	59, 055	89, 509	1, 320, 888	40, 947	615, 987 175 lbs.	24c. per lb., if less than 175 lbs. 24c. per lb. if less than 175 lbs., on imports in excess of 51,933 head during any calendar year.
Weighing 175 to 700 lbs.	No.	6, 883	187, 539	559	9, 308	14, 101	370, 785	1, 967	48, 094 lbs.	24c. per lb., if 175 to 700 lbs.
Weighing over 700 lbs.	No.	9, 188	562, 230	7, 204	413, 997	149, 088	10, 050, 024	39, 448	2, 290, 713 lbs.	3c. per lb., if over 700 lbs. 3c. per lb., if over 700 lbs., on imports in excess of 155,799 head during any calendar year.
Horses, n.o.p.	No.	459	52, 899	165	16, 948	9, 168	1, 181, 566	4, 632	589, 733	\$30 per head, if valued at not more than \$150; 20% ad val. if valued more than \$150.
Poultry, n.o.p.	No.	221, 592	144, 777	14, 141	10, 104	704, 868	407, 589	239, 265	160, 213	8c. per lb., if chickens, ducks, geese, turkeys, and guineas.
Fish, fresh and frozen—										
Clams, fresh.	Cwt.	970	1, 757	511	1, 010	41, 581	51, 278	24, 659	30, 468	Free.
Eels, fresh and frozen.	Cwt.	171	1, 368	97	795	1, 863	12, 369	1, 204	8, 028	1c. per lb.
Halibut, fresh and frozen.	Cwt.	5, 252	56, 403	5, 697	53, 798	41, 180	391, 818	47, 483	463, 841	2c. per lb.
Herring, sea, fresh and frozen.	Cwt.	65, 705	37, 229	35, 295	22, 843	165, 097	121, 951	94, 464	68, 908	Free.
Salmon or lake trout, fresh and frozen.	Cwt.	6, 580	76, 358	6, 167	68, 873	32, 101	355, 829	30, 407	337, 431	1c. per lb.
Lobsters, fresh.	Cwt.	6, 519	162, 626	4, 402	100, 561	101, 010	2, 159, 280	95, 869	1, 747, 603	Free.
Oysters, fresh.	Cwt.	22	191	13	91	162	1, 375	3, 041	2, 174	Free.
Salmon, fresh and frozen.	Cwt.	8, 197	48, 931	6, 967	61, 732	43, 697	428, 534	42, 336	473, 047	2c. per lb.
Smelts, fresh and frozen.	Cwt.	63	876	227	3, 150	39, 304	343, 304	42, 004	404, 584	Free.
Swordfish, fresh and frozen.	Cwt.	3, 607	54, 585	3, 854	50, 876	14, 662	198, 651	12, 162	146, 778	2c. per lb., if not frozen;
Tullibee, fresh and frozen.	Cwt.			7	53	4, 415	32, 234	7, 773	62, 855	1c. per lb., if frozen.
Whitefish, fresh and frozen.	Cwt.	11, 674	153, 470	9, 026	100, 977	102, 834	1, 179, 941	100, 801	1, 160, 075	1c. per lb.
Fish, pickled, salted, and smoked—										
Alwives, salted.	Cwt.	125	996	80	160	15	44	622	1, 289	14c. per lb., net weight.
Herring, sea, smoked.	Cwt.			189	1, 834	4, 598	22, 382	5, 838	26, 119	3c. lb., if boned;
Salmon, pickled.	Cwt.			593	10, 739	4	93	2, 017	33, 160	25% ad val.
Fish, canned—										
Clams, canned.	Cwt.			175	4, 227	28	200	294	5, 613	23% ad val., if razor clams;
Lobsters, canned.	Cwt.			873	39, 662	3, 911	228, 697	3, 721	188, 526	Free.
Fur skins, undressed—										
Beaver.	No	2, 984	47, 441	3, 635	43, 568	38, 299	586, 173	35, 722	407, 518	Free.
Mink.	No	1, 523	17, 363	2, 256	17, 981	61, 467	911, 912	78, 188	789, 179	Free.
Muskrat.	No	12, 933	16, 441	35, 403	27, 642	197, 714	283, 139	382, 365	303, 635	Free.
Wolf.	No	1, 849	23, 505	1, 786	14, 278	32, 353	404, 932	16, 672	159, 777	Free.
Leather—										
Harness leather.				45				1, 855	1, 029	124% ad val.
Patent leather.			1, 377	995			50, 630		8, 953	15% ad val.
										10% ad val.

CANADA'S DOMESTIC EXPORTS TO THE UNITED STATES OF PRINCIPAL COMMODITIES, Etc.—Concluded

Commodities	Month of September				Nine months ended September				United States Tariff	
	1937		1938		1937		1938		1935	Canada-United States Trade Agreement (Jan. 1, 1936)
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value		
Meats—		\$		\$		\$		\$		
Poultry, dressed or undressed.....Lb.	7,338	1,522			23,358	4,646	1,283	277	10c. per lb.	6c. per lb., if chickens and guineas; 10c. per lb., if other poultry.
Milk products—										
Cheese.....Cwt.	3,488	57,477	2,010	33,949	36,889	560,608	13,019	226,750	7c. per lb., but not less than 25% ad val., if cheddar cheese in original loaves; 7c. per lb., but not less than 35% ad val., if other kinds of cheese.	5c. per lb., but not less than 25% ad val., if cheddar cheese in original loaves; 7c. per lb., but not less than 35% ad val., if other kinds of cheese.
Cream.....Gal.	10,648	18,770			80,896	140,272	5,096	11,153	56-6/10c. per gal.	35c. per gal.
Whale oil.....Gal.	170,401	47,948	81,040	27,118	530,644	148,469	457,274	144,196	5c. per gal.	56-6/10c. per gal. on imports in excess of 1,500,000 gals. during any calendar year.
Wool, Wool Products and Paper										
Shingle bolts of pine or cedar.....Cord	16	44	51	271	542	1,889	143	733	Free.	Free.
Stave and other bolts, n.o.p.....Cord									10% ad val.	10% ad val.
Firewood.....M	6,537	31,980	7,058	37,035	40,614	207,699	38,978	202,905	Free.	Free.
Laths.....M	19,154	79,377	17,834	66,281	189,944	780,125	108,473	339,896	Free.	Free.
Logs.....M ft.	17,314	210,366	14,404	139,248	75,667	971,543	101,000	1,135,399	Free.	Free.
Masts and spars.....									50c. per M ft. b.m., if fir, spruce, pine, hemlock or larch; free, if other kinds.	50c. per M ft. b.m., if fir, spruce, pine, hemlock or larch; free, if other kinds.
Pickets.....M	3,757	28,322	2,695	24,026	24,773	184,602	24,765	182,295	Free.	Free.
Piling.....Lin. ft.	7,685	2,461	48,154	3,389	472,560	38,446	490,813	30,308	50c. per M ft. b.m., if fir, spruce, pine, hemlock or larch; free, if other kinds.	50c. per M ft. b.m., if fir, spruce, pine, hemlock or larch; free, if other kinds.
Planks and boards—										
Flooring of hardwood.....M ft.	65	4,584	3	234	1,415	89,336	116	5,834	85% ad val.	45% ad val.
Planks and boards, softwood.....M ft.	50,370	1,364,352	39,790	995,377	386,596	10,637,905	292,770	7,330,354	\$3 per M ft. b.m. Revenue Tax if fir, spruce, pine, hemlock or larch; (a) spruce, pine, hemlock or larch; (b) free, if other kinds of wood, but subject to \$3 Revenue Tax per M ft. b.m.	\$1.50 per M ft. b.m. and \$1.50 per M ft. b.m. Revenue Tax if fir, spruce, pine, hemlock or larch; (a) spruce, pine, hemlock or larch; (b) free, if other kinds of wood, but subject to \$3 Revenue Tax per M ft. b.m.
Planks and boards, hardwood, n.o.p.....M ft.	5,323	216,634	2,718	115,223	40,805	1,674,007	18,948	773,426	Free, but subject to \$3 per M ft. b.m. Revenue Tax.	Free, but subject to \$1.50 per M ft. b.m. Revenue Tax.
Poles—										
Telegraph and telephone.....No.	44,087	139,958	32,080	99,699	312,281	920,508	221,971	721,099	Free.	Free.
Other poles.....No.									Free.	Free.
Posts, fence.....No.	49,715	4,081	18,053	2,956	665,000	56,528	473,365	41,709	Free.	Free.
Polywood.....Cord	190,425	1,584,502	177,137	1,511,194	1,090,190	8,447,888	1,058,747	8,616,707	Free.	Free.
Railroad ties.....No.	46,322	39,838	29,438	18,176	928,068	157,743	191,869	141,638	Free.	Free.
Shingles.....Square	248,464	706,320	262,027	750,915	1,730,029	4,925,774	1,774,391	4,802,430	Free.	Free.
Staves and headings.....		3,712		1,054		70,814		9,568	Free, if staves; 133% ad val. if headings.	Free, if staves; 133% ad val. if headings.

Timber, square, softwood.....	M ft.	167	4,654	69	1,853	1,385	34,714	789	17,060 \$1 per M ft. b.m., if fir, spruce, pine, hemlock or larch; free, if other kinds.
Timber, square, hardwood.....	M ft.								
Wood pulp.....	Cwt.	7	3,077,388			15	471	4	222 Free.
Paper—Newsprint.....	Cwt.	5,175,246	9,464,742	3,213,354	1,855,191	11,049,787	25,652,059	6,300,255	15,031,177 Free.
	Cwt.				7,149,027	42,027,473	76,589,839	27,200,403	59,468,359 Free.
IRON AND ITS PRODUCTS									
Farm implements—									
Cultivators.....	No.	5	393	11	1,237	380	16,627	436	25,368 Free.
Drills.....	No.	130	15,400	10	1,423	710	85,582	530	70,804 Free.
Harrows and parts.....	No.		10,470				114,567		31,871 Free.
Harvesters and binders.....	No.	86	12,410	15	2,656	1,721	304,336	1,133	240,584 Free.
Hay rakes.....	No.	1	41			169	6,106	150	7,241 Free.
Mowers and reapers.....	No.	1	84	1	15	216	12,332	271	18,760 Free.
Ploughs and parts.....	No.		81,455				579,494		256,310 Free.
Reaper threshers.....	No.		82,337	1	17,784	329	241,247	928	734,151 Free.
Parts of farm implements, n.o.p.....	No.		83,351		1,404		559,083		296,312 Free.
Ferro-silicon.....	Ton	1,929	63,251	774	15,234	10,992	248,857	4,940	117,204 2c. per lb. on silicon content.
									1c. per lb. (on silicon content) when containing 8% or more but not less than 30% of silicon.
Ferro-manganese and other ferro-alloys, n.o.p.....	Ton	4,251	195,358	1,059	41,568	21,148	973,513	6,845	247,352 1½c. per lb. on manganese content.
									1c. per lb. (on manganese content) when containing not less than 4% of carbon.
Skates.....	Pair	7,367	11,900	26,780	23,511	64,974	49,002	145,700	106,889 20% ad val.
NON-FERROUS METALS AND PRODUCTS									
Cobalt in ore.....	Cwt.	141	9,212	65	4,235	526	33,835	434	26,146 Free.
Cobalt metallic.....	Cwt.								71,278 Free.
Nickel in matte or speis.....	Cwt.	21,134	380,413	8,925	60,650	112,782	2,029,408	48,505	1,125,108 Free.
Nickel in oxide.....	Cwt.	1,077	20,599	499	10,814	15,925	318,363	1,744	36,907 Free.
NON-METALLIC MINERALS AND PRODUCTS									
Abasives, artificial, crude.....	Cwt.	160,034	446,461	64,592	160,774	1,551,905	4,142,891	777,666	2,154,445 Free.
Asbestos.....	Ton	8,838	448,809	3,441	104,338	70,962	3,874,042	38,663	2,105,246 Free.
Asbestos sand and waste.....	Ton	14,273	224,979	10,724	184,323	130,402	2,305,172	77,006	1,355,181 Free.
Beldspar and nepheline syenite.....	Ton	2,207	16,287	2,835	14,427	136,464	129,439	24,870	132,227 50c. per ton, if crude.
Gypsum, crude.....	Ton	77,466	92,286	83,212	98,418	495,801	569,919	516,256	598,060 Free.
Lime.....	Ton	208	1,911	7,894	3,361	150,284	63,958	92,463	37,165 Various.
Talc.....	Cwt.	11,368	5,890	11,345	5,769	110,172	54,842	91,296	47,232 35% ad val.
CHEMICALS AND ALLIED PRODUCTS									
Acetic acid.....	Cwt.	15,402	82,425	4,227	22,610	285,403	1,529,423	38,546	206,285 2c. per lb. if over 65%.
Cobalt oxides and cobalt salts.....	Lb.	9,100	13,408			97,320	130,072		20c. per lb. if oxides; 10c. per lb. if oxides; 30% ad val. if salts.
Cyanamid.....	Cwt.	102,714	97,925	80,584	76,980	2,207,433	2,414,494	2,050,159	2,277,532 Free.
Supluric acid.....	Cwt.	3,583	2,104	5,115	3,450	25,573	15,833	18,650	13,068 Free.
MISCELLANEOUS COMMODITIES									
O-gas.....	No.					8	16,261	9	34,704 35% ad val.
Total exports of above commodities.....			23,311,648		16,148,799		193,540,837		131,896,638
Total domestic exports to United States.....					60,525,203		369,709,874		243,589,241

(a) Reduced rates not applicable to imports of Douglas fir or Western hemlock in any calendar year in excess of an aggregate quantity of 250,000,000 feet, board measure.

BUSINESS CONDITIONS IN NORTHERN IRELAND

JAMES CORMACK, CANADIAN TRADE COMMISSIONER

Belfast, September 23, 1938.—The "recession" in the United States and the Sino-Japanese conflict are still having adverse effects on the linen trade of Northern Ireland; the former on export sales and the latter on work such as embroidering. Shipbuilding and aircraft orders are keeping up and prospects in these industries are good. Employment among insured workers also continues to show an improvement. Figures for the principal centres of industry show 46,529 such workers employed in Belfast in June this year as against 33,669 in June, 1937, and 91,639 as compared with 65,656 for all of Northern Ireland.

ASSISTANCE FOR EXPORTERS

To assist Northern Ireland exporters, the export credits guarantee department of the British Board of Trade opened an office last month in Belfast. Under the scheme an exporter can obtain from the department for a premium of from one-half to one per cent a policy of insurance which will guarantee him payment of 75 per cent of his export trade to certain countries within ninety days.

Northern Ireland has also opened an office in London with Sir James Cooke-Collis as Ulster agent. The Prime Minister has said that the creation of this post is intended to promote the development of trade, commerce, and tourist traffic, and also to correct "malicious statements" about Ulster that had come to his attention.

TRANSPORT OPERATIONS

The annual report of the Ulster Transport Board, which controls the road transport of Northern Ireland, issued this month, covering the year October 1, 1936, to September 30, 1937, discloses an operating loss of £70,040. The total debit balance for the year, including £87,000 in respect of interest, is £162,229. With the figure at £94,048 for the previous year, this makes a cumulative debit balance of £256,277. In the year under review a sum of £133,106 was set aside for depreciation and the reserve for this purpose stands at £208,389. The chief accountant of the board, in explaining the accounts, states that the year was a difficult one, as it covered the freight acquisition, involving the transfer to the board of 984 undertakings and 1,158 vehicles. This caused a great strain on the staff of the board and prevented it from concentrating on the reorganization and refinements it had in view. The chief reasons for the loss on the year, he observes, were the operations of the "pirates," the provision in the accounts for useless and redundant vehicles taken over, and the abnormal expenses arising from acquisition. The loss in freight to the board as a result of the activities of "pirates" he estimates at £500,000. Traffic receipts for the year amounted to £781,634 as against £676,731 in 1936.

AGRICULTURE

Agriculture generally is in a healthy state. Live stock is good. The pig population is down, the uncertainty over the United Kingdom marketing scheme being reflected here. However, this condition is expected to be temporary. Cattle show little change, but a preponderance of heifer calves and a good market for stores should ensure beef supplies for some time to come. Sheep show the highest population in Northern Ireland on record, but prices are low. Recent lamb sales, however, point to profitable improvement in the price and demand. Arable farming is generally in good shape. Oats show good yield and quality. The wheat acreage is up and the crop good. Barley has a bigger yield but smaller acreage. The early potato crop was large and good, averaging between 6 and 7 tons per acre. The main crop is being harvested now and its yield also promises to be good.

AUSTRALIAN WHEAT AND FLOUR

FREDERICK PALMER, CANADIAN TRADE COMMISSIONER

Melbourne, September 14, 1938.—Estimates obtained from official sources indicate that an area slightly in excess of 14,000,000 acres has been seeded to wheat this season. This would be an increase of approximately 400,000 acres over last year's acreage, but 2 per cent less than the average of the past ten years.

In 1937-38, 13,686,000 acres were sown and 188,018,000 bushels of wheat produced at an average yield of 13.74 bushels per acre.

Prospects are favourable in South Australia, West Australia, and in New South Wales, although the eastern fringe in Western Australia is somewhat dry and needs good rain. Victoria is short of moisture and would welcome soaking rainfalls during the next few weeks, as harvest results will largely depend upon September precipitation. On present indications, however, a harvest of normal dimensions might reasonably be expected.

The Commonwealth Government is co-operating with the States in order to secure a better return for the producer by fixing a price for locally-consumed wheat. Legislative action along these lines is contemplated at the next session of the Commonwealth Parliament.

EXPORTS OF WHEAT AND FLOUR TO THE UNITED KINGDOM

During the year ended June, 1938, Australia supplied 55 million bushels of wheat, or 31 per cent of the total imports into the United Kingdom. The contribution from Australia was 20 million bushels in excess of the previous year. During the same period imports of flour from Australia into the United Kingdom amounted to 183,000 tons or 41 per cent.

EXPORTABLE SURPLUS OF WHEAT AND FLOUR

In terms of wheat, the exportable surplus of wheat and flour at August 1 was 35,569,899 bushels as compared with 24,621,902 bushels on the same date in 1937, 32,034,172 bushels in 1936, and 43,666,809 bushels in 1935. At November 30, 1937, the exportable surplus was 140,778,347 bushels as compared with 102,915,493 bushels on the same date in 1936, 105,891,636 in 1935, and 118,889,695 on November 30, 1934.

Mr. Palmer cables from Melbourne under date of October 15 as follows:—

Shipments of wheat and flour from Australia from December to October 10 totalled 122,166,290 bushels compared with 86,974,236 bushels for the corresponding period of the previous year. With less than 11 million bushels uncommitted, business in Australian wheat is at a low ebb.

After recent fluctuations the price of wheat to growers at country stations has now dropped to approximately 2s. 2d. (equivalent to 41 cents Canadian) per bushel in all states except Victoria where the price is 4d. (about 6 cents Canadian) per bushel higher owing to the driest weather since the 1914 drought. Three cargoes were recently shipped to Calcutta and two to Holland. Otherwise the United Kingdom is the only buyer. There is no Oriental interest in wheat or flour.

Owing to lack of rain, crops have deteriorated in all states. Western and South Australia are each expected to have yields of 30,000,000 bushels and New South Wales 45,000,000 bushels, while Victoria may not have a yield sufficient for that state's own requirements of 14,000,000 bushels unless substantial rains are received in the near future.

There is little movement in flour and millers are making few commitments. Export quotations on flour are approximately £7 8s. (equivalent to \$28.20 Canadian) per ton in 49-pound calico bags, and £7 (equivalent to \$26.27 Canadian) per ton in 150-pound sacks. Price of flour delivered Melbourne is £8 10s. (equivalent to \$32.38 Canadian) per ton of 2,000 pounds.

TRADING CENTRES OF INDIA

PAUL SYKES, CANADIAN TRADE COMMISSIONER

Calcutta, September 14, 1938.—The following report presents an outline of the location and importance of the principal trading centres of India. It may be of value to Canadian exporters in connection with the routing of shipments to this market and the appointment of agents or distributors.

GEOGRAPHICAL OUTLINE

With the separation of Burma from the Indian Empire, India has now assumed a more regular form than indicated on many maps. Within its present frontiers India is roughly diamond shaped, the four points or corners being at the junction of the Burma and Tibetan borders at the east, the extremities of Kashmir in the north, the Baluchistan-Iran frontier on the west, and Cape Comorin in the south. From east to west, India is approximately 2,200 miles in extent, while the distance from northern Kashmir to the southernmost tip of the peninsula is only some 200 miles less.

In proportion to its extensive coastline, India is poorly supplied with natural harbours and is further handicapped by the location of such anchorages. In most instances these are far distant from the areas of heaviest production or the most densely populated districts.

INDUSTRIAL AND COMMERCIAL DEVELOPMENT

In its earliest days India's foreign trade was chiefly dependent on overland transportation by pack animals and to a smaller extent on inland waterways. With expansion in the demands of such a vast market and of the sales of Indian produce, the country's commerce has since been built up to an increasing degree on ocean shipping. It has provided a basis not only for the trade between India and foreign countries but for the exchange of products between different parts of the country itself. In consequence, the older trading centres in the interior have lost much of their importance and now take a minor position to that held by the chief ports.

In the days of colonial expansion British, French, Dutch, and Portuguese expeditions settled at numerous spots along India's extensive coastline and at inland points on some of the larger rivers. To no small extent it was these efforts at colonization and trade that led to the development of India from a primitive community, essentially concerned with agricultural production, to the important factor in world commerce and industry which she is to-day. Some of the earlier settlements still exist; many have disappeared due to unfavourable location or the inevitable concentration of commercial interests in a few cities. The net result is that India's principal trading centres to-day are Calcutta, Bombay, Madras, and Karachi. There are various subsidiary ports such as Chittagong, Vizagapatam, and Cochin, some of which are of growing importance while others are gradually declining. Then there are the inland trading centres of Bangalore in southern India; Lahore, the commercial and industrial centre of the Punjab; Lucknow, Cawnpore, and many others of less interest. This report is primarily concerned with the larger ports.

CALCUTTA

Calcutta is the largest city in India and in many respects the most important. It is situated on the east bank of the Hooghly river, one of the mouths of the Ganges, some 70 miles inland from the rather indeterminate shore line of the Bay of Bengal. Its situation is due to navigational facilities in the Hooghly, military considerations in the early days of British settlement in India, and the city's close dependence on the jute industry, which is concentrated in

the adjoining country. Calcutta's population, inclusive of several adjoining municipalities, is slightly less than 1,500,000. Formerly the seat of the Indian Government, recently transferred to New Delhi, it is now the capital of the province of Bengal.

Calcutta is pre-eminently an export centre. It is credited with some 40 per cent of the total annual value of all exports of Indian goods and is outstanding as the outlet for the bulk of Indian shipments of jute and its products, tea, and coal. Calcutta's import trade is of considerably less importance, although the port is credited with over 30 per cent of the value of all India's annual purchases from abroad. The Calcutta port authorities report the net tonnage of shipping entering the port during the fiscal year ended March 31, 1937, as 4,082,572.

As a centre of collection and distribution, Calcutta is primarily concerned with commercial activity in the wealthy and productive province of which it is the capital. It is also of vital importance to the tea industry of Assam and is the port of entry and outlet for the bulk of the incoming and outgoing trade of Bihar, Orissa, parts of the United Provinces, and even of Nepal.

BOMBAY

Bombay, the "Gateway of India," is a deep-sea port on the western coast of the country. It has an excellent harbour and is the first important port of call after Suez for all vessels running between Europe and the Antipodes or the Far East. A city of some 1,150,000 people, Bombay is the capital of the province of the same name. It is economically prominent as the centre of India's important cotton-manufacturing industry.

Bombay ranks as India's principal importing centre and takes second place to Calcutta in the case of exports. Bombay's share of the value of India's total import trade has averaged over 40 per cent in recent years and during 1936-37 the port was credited with 22.5 per cent of total export values. The port itself is the busiest in India from the point of view of tonnage entered and cleared. Traffic records show 1,954 vessels of a net tonnage of 4,998,513 entered inwards during the fiscal year ended March 31, 1937.

KARACHI

Karachi is one of the most recently established cities in India but is a port of great promise. Like Bombay, it has an excellent natural harbour, while its position as the port of entry and shipment for Sind province, of which it is the capital, and for a large part of the Punjab, makes it of the greatest economic value. Karachi is expected to benefit greatly from the inevitable expansion in agricultural production in the interior resulting from the irrigation scheme based on the Lloyd Barrage. Karachi is as well the first port of call in India of all eastbound air services and with the rapid development of this form of transportation is bound to become of even greater strategic and commercial importance than at present. The city's population at the 1931 census was 263,000.

Karachi is noted for its extensive exports of raw cotton and is an important shipping centre for wool, grains, seeds, and hides. The port handled 14 per cent of India's total export trade during 1936-37 and 12 per cent of all imports. Shipping tonnage entered during the year was 2,683,125.

MADRAS

Madras, designated in official returns as Fort St. George, is the capital of Madras Province and the principal commercial centre of southern India. A city with a population of 647,000, it is situated on the east coast some 400 miles from the southern extremity of the sub-continent. Madras harbour is entirely artificial. There are, in fact, no natural anchorages along India's southeast coast line.

The port is noted for its export of hides and skins, raw cotton, and ground-nuts. Shipping tonnage entered during the year 1936-37 was 2,540,911. Madras was credited in 1936-37 with 7.4 per cent of exports and 9.7 per cent of the total value of imports.

MINOR PORTS

Other ports deserving brief mention include Chittagong, at the northeast extremity of the Bay of Bengal, whence a considerable quantity of Assam and East Bengal produce is exported. Vizagapatam, situated on the southeast coast halfway between Madras and Calcutta, is being developed into a major port. With the improvement of transport facilities between it and a fertile hinterland, this port appears assured of a prosperous future. Other minor ports, all in Madras province, are Cocanada, Masulipatam, Cuddalore, Tuticorin, Calicut, and Cochin, the last of which is being extensively developed and may rank in future as one of the chief shipping centres of southern India.

The concentration of India's shipping in a few ports is clearly illustrated in the case of Bombay and Sind provinces, where the ports of Bombay and Karachi handle over 99 per cent and 100 per cent respectively of all import and export business.

INLAND BUSINESS CENTRES

Lahore, the capital of the Punjab, is one of the most important of India's inland trade centres. It is a city of over 400,000 and the chief focal point of commercial activity in one of India's most productive areas. Delhi and the adjacent city of New Delhi, the seat of the Central Government, are also of considerable importance as collecting and distributing centres. Bangalore, in the state of Mysore, is the principal commercial city in the interior of southern India. Lucknow and Cawnpore are the chief trading cities of the United Provinces. Other cities of substantial local importance, but less concerned with the country's trade as a whole, are Ahmedabad, Amritsar, Poona, Agra, Nagpur, and Benares.

REPRESENTATION IN THE INDIAN MARKET

It may be of value to Canadian exporters to point out the predominance of Bombay as an import centre, and to suggest as well the necessity, in many cases, of appointing agents or distributors in more than one of India's principal ports and also at times at inland distributing points. It is possible but unusual to find in India representatives who are in a position to give overseas principals efficient representation throughout the whole of the market. Accordingly the mere appointment of an agent in one port should not be regarded as a solution of the question of representation. Canadian firms interested in the sale of their products in India will be well advised to ensure as even a distribution of their goods as possible through the services of representatives in all of India's leading business centres.

WHEAT AND FLOUR TRADE REGULATION IN FRANCE

J. P. MANION, ASSISTANT COMMERCIAL ATTACHÉ

Paris, September 15, 1938.—A detailed report on conditions leading up to the enactment of measures now in force to regulate the wheat and flour trade in France was published in *Commercial Intelligence Journal* No. 1754 (September 11, 1937), page 469. Following is a summary of the situation as it has since developed, and of the regulations now effective.

NATIONAL WHEAT OFFICE

A law was passed on August 15, 1936, instituting a National Wheat Office, the duties and powers of which have been dealt with previously.

This organization was formed at a time when there was no wheat problem, that is, when production plus carryover were about equal to consumption, and this situation obtained up to the end of the second year during which the law was in force, July 31, 1938.

The object in creating the Wheat Office was to correct a situation whereby open market quotations on wheat were lowest at harvest time, when the farmer was obliged to sell, and highest when supplies were closely held by dealers or speculators. Therefore, by prohibiting open market dealings and resorting to the policy of a fixed price it was reasoned that the producer would obtain the highest returns compatible with consumer interests. For this purpose a fixed price to the producer was essential, while all additional charges were to be added to this fixed price, thus permitting of some fluctuation in the selling price to the miller.

The most important change in the new regulations is a modification of this principle. The fixed price for this year is to be supplemented by a fixed charge to cover storage and administration, so that millers will obtain their wheat at a definite price less cost of transportation. The producer, on the other hand, is paid a fixed price but must assume certain graduated taxes according to the size of his crop.

SURPLUS PRODUCTION

The change in policy noted above is the result in large measure of surplus production this year. The regulations previously in force contained only one provision for the liquidation of excess production as follows: In so far as exports are necessary to prevent an undue surplus, these will be charged against producers who have exceeded their normal output, in proportion to this surplus, and the Central Council may fix the amount of reduction from the fixed price which such producers will have to bear in order to align the export price with the world market price. This provision was vague; its enforcement would have involved a great amount of administrative work in the allocation of a "normal" quota to all growers in France who have over-produced this year; recriminations and injustices would have arisen, since over-production is often beyond control; and it was intended only to cover an export surplus, while this year most of the surplus will not be exported.

This year's wheat crop is officially estimated at 8,700,000 metric tons, or 320,000,000 bushels; according to other estimates the figure is about 9,500,000 tons, or almost 350,000,000 bushels. Since normal consumption is about 260,000,000 bushels, the surplus will be between 60,000,000 and 90,000,000 bushels. On export markets French wheat is quoted at slightly more than 25 per cent of the domestic price. On this basis the Wheat Office would have to subsidize exports to the extent of about \$1.10 a bushel. In order to minimize the cost to the Government of carrying out this policy, other means of disposing of the surplus will have to be resorted to. Chief among these are the following:—

Denaturation.—Following this method the Wheat Office buys wheat at the normal price, and after colouring it to render it unfit for human consumption, sells it at a discount for animal feed. This expedient will be particularly useful during the current year on account of the deficiency in feedstuffs. About 15,000,000 to 20,000,000 bushels may be disposed of in this way.

Distillation.—In order to encourage the production of industrial alcohol for defence purposes, some quantities of wheat may be used for distillation. A special tax was recently imposed on gasoline, and in order to cover the projected additional cost of the manufactured alcohol, which always forms part of the ignition mixture, it is probable that the tax will be continued, but distillation will be carried out on an experimental scale only. The consumption of wheat by this process will probably not exceed 2,000,000 bushels.

Lowering the Extraction Rate for Flour.—This method has often been resorted to in the past. The actual extraction rate of 74 may be reduced to 67 or 68. This would tend to increase normal consumption by about 8 per cent, would absorb about 20,000,000 additional bushels, and provide an equivalent amount of extra feedstuffs.

Stockage or Carryover.—According to the official estimate of surplus production, mentioned previously, there would still be a surplus of about 20,000,000 bushels of wheat after allowing for consumption in accordance with the foregoing methods. While there may be limited quantities exported, it is probable that the greater portion of this 20,000,000 bushels will be stocked, partly by the War Department and partly by the Wheat Office.

If there is a surplus in excess of the official estimate, this will also be stocked by the Wheat Office and form an invisible carryover into the next crop year.

NEW REGULATIONS SINCE 1937

On November 23, 1937, a decree was published incorporating in the original law the amendments which had been made from time to time since it was passed. There are few changes of importance, the only one of interest being in respect to the fixing of a milling tax on a new scale, which has since been twice changed. At present mills delivering up to 300 metric tons of flour or semolinas are exempt from the tax; others are assessed according to deliveries as follows: 300 to 800 tons, 18·50 francs per ton; 800 to 3,000 tons, 34·50 francs; 3,000 to 5,000 tons, 45·50 francs; and over 5,000 tons, 56 francs per ton. Millers also pay a yearly licence tax, amounting to 5,400 francs for those milling over 5,000 tons annually.

Another important change affecting milling is the application, agreed upon by referendum, of a milling quota beginning June 27, 1938. No mill is allowed to produce in one year more than its average yearly production from 1927 to 1935 plus half its total productive capacity for 300 days.

An important decree of June 17, 1938, amended the codified law above mentioned, and changed the basis upon which excess production was to be absorbed. As stated previously, it was decided to impose a tax, depending on the size of the farmer's crop, to meet the expenses of disposing of surplus production.

The National Wheat Office is to turn over to the Alcohol Monopoly 50,000,000 francs annually for experimental and practical work in the distillation of wheat. To cover this and other experimental work another special tax was instituted. This tax is paid by the buyers of wheat and not by the producers. It is provided for by making the basic price of wheat at the beginning of the season uniform with that prevailing at the end after all storage costs have been paid.

In extreme cases a producer may obtain 155 francs a quintal for his wheat, and the miller may have to buy it from him, through the Government, at 219 francs—a spread of nearly 50 per cent. The price of flour in Paris will be increased to 308 francs per quintal.

APPLICATION OF LAW TO NEW CROP

The price of fair average quality wheat weighing between 76 and 77 kilograms per hectolitre (60·5 to 61·7 pounds per bushel) was fixed as at September 1, 1938, at 204 francs per quintal (\$1.51 per bushel at current exchange). The new permanent tax is fixed at 8 francs, of which half is to be borne by the producer, and the additional progressive tax, to provide for absorption of the surplus, is charged to the producer and begins at 18 francs per quintal.

The producer of less than 366 bushels will therefore receive 182 francs per quintal (\$1.36 per bushel); the producer of from 366 to 732 bushels will receive 177·50 francs per quintal (\$1.33 per bushel). The producer loses about 3 cents

a bushel for each unit of 732 bushels thereafter up to 1,000 quintals or 3,660 bushels. On production over that figure the price is 155 francs per quintal (\$1.16 per bushel).

If the producer sells immediately, he will get the above prices. If, however, he stores his grain for later sale, he will obtain the advantage of the 1.50 franc a month in addition to the price which is supposed to cover storage charges.

PREMIUMS AND DISCOUNTS

There is another provision by which premiums are paid for higher discounts made in case of lower specific weights. Thus, for every additional kilogram per hectolitre in the specific weight the producer obtains one franc more for his wheat when sold on a weight basis. For every kilogram below the normal specific weight the producer loses 1 to 1.50 franc per quintal. Wheat below a specific weight of 70 kilograms per hectolitre (56 pounds per bushel) is not considered fit for human consumption. If the wheat contains more than 5 per cent of broken grain and more than 2 per cent of foreign matter, there is a further series of discounts.

On the other hand, since the basic price of wheat would rise to 216.50 francs by the end of the season, due to the accumulation of storage charges, it has been decided to make this the basic price from the beginning of the season, plus the usual fixed charges. The latter comprise the 3-franc charge to cover cost of handling, administrative costs, etc., bringing the elevator selling price to the millers up to 219 francs per quintal (\$1.65 per bushel). Thus the price of flour will not increase periodically during the year but will be uniform throughout.

In this way the wheat administration hopes to obtain revenues of 1,840,000,000 francs (approximately \$50,000,000), based on a crop of 89,000,000 quintals. If, as expected, the crop is 6,000,000 quintals greater, these special revenues will be higher by about \$5,000,000. On the other hand the cost of disposing of the surplus will be considerably increased.

It is understood that denaturation, distillation, and stockage will take precedence over eventual lowering of the extraction rate of flour, since the last-mentioned measure would necessarily increase the price of bread to the consumer. The matter will again be considered in three months' time. No announcement has yet been made concerning eventual exports.

IMPORTS OF WHEAT AND FLOUR

There has been no change in the regulations governing imports. The importation of flour is prohibited, and wheat imports are not permitted except in amounts determined by the National Wheat Office. During the last crop year, only 3,000,000 bushels of Yugoslavian bread wheat was imported, while durum wheat has been permitted entry only during a specified period, ending September 15 for Mediterranean ports, September 30 for the Bay of Biscay, and October 15 for Channel ports and Strasbourg. These are the last landing dates, although they are valid only for the liquidation of permits obtained before August 31, 1938.

Real imports are not permitted except after a special decision of the Wheat Office. However, millers may import strengthening wheats if they can show that they have exported equivalent amounts of wheat or its derivatives. During the past year real imports have been allowed only when the French military authorities bought wheat from Yugoslavia and when durum wheat was allowed to enter during the last three months of the crop year with no restriction and at a reduced tariff, due to a deficiency of similar North African wheats.

On September 28, 1938, regulations governing the import of wheat under the system of temporary admission or, as it is now commonly called, of prior exportation, were published. From the date of the decree in question, 111 kilograms of domestic wheat must be exported for every 100 kilograms of wheat imported for strengthening purposes.

The customs drawback which will be allowed on wheat imported under such circumstances is 92 francs per quintal, which means that the importer will be obliged to pay only 4.30 francs per quintal instead of the full tariff rate of 96.30 francs.

TRADE STATISTICS

The following tables show imports into and exports from France of wheat during the years 1931 to 1937 inclusive:—

French Imports of Wheat

	1937	1936	1935	1934	1933	1932	1931
	Figures in Metric Tons of 2,204 Pounds						
Canada	171,062	159,964	213,553	261,447	374,124	670,290	860,197
Argentina	14,886	1,833	10,616	22,878	9,256	445,019	527,128
Algeria, Morocco and Tunisia	239,906	357,624	467,180	410,144	430,861	659,468	385,249
United States	9,787	1,101	1,466	3,805	14,269	214,161	316,858
Russia . . . . .	.....	1,966	5,137	8,018	.....	.....	4,291
Roumania . . . . .	.....	.....	.....	41	431	32,629	141,269
Belgium . . . . .	.....	6	321	268	3,967	14,358	46,164
Germany . . . . .	.....	.....	75	304	.....	.....	19,554
Hungary, Bulgaria and Yugo- slavia	14,342	.....	.....	2	730	43,558	50,990
Chile . . . . .	.....	145	1,644	1,216	.....	.....	.....
Iraq	7,687	474	1,255	.....	.....	.....	.....
Other countries	2,322	339	183	117	4,303	27,243	14,140
French colonies	2,360	2,325	.....	.....	.....	.....	.....
	462,352	525,777	701,430	708,240	837,941	2,106,726	2,365,840

French Exports of Wheat

Great Britain	7,793	250,649	371,145	83,187	.....	.....	23
Italy . . . . .	.....	.....	140,620	40,041	.....	.....	.....
Germany	4,419	.....	.....	55,686	.....	.....	.....
Belgium	3,110	22,100	53,686	.....	.....	.....	27
Switzerland	4,965	14,495	8,182	.....	.....	.....	65
Denmark . . . . .	.....	5,785	186,571	120,849	.....	.....	.....
Spanish Morocco . . . . .	.....	8,297	10,920	.....	.....	.....	.....
Other countries	39	5,537	49,354	48,354	60,228	128	1,253
French colonies	2,374	9,244	30	4	177	1,941	.....
	24,760	316,107	820,508	348,121	60,405	2,069	1,368

Imports into and exports from France of flour during the past seven years were as follows:—

French Imports of Flour

Canada . . . . .	.....	.....	.....	.....	.....	.....	192
Argentina . . . . .	.....	.....	.....	.....	.....	.....	81
Algeria, Morocco and Tunisia . .	35,083	51,884	56,737	50,285	29,448	15,968	15,284
United States	883	746	588	.....	.....	.....	727
Germany . . . . .	.....	.....	.....	.....	.....	.....	2
French colonies	56	163	148	49	54	4	.....
Other countries	630	476	432	1,127	885	707	346
	36,652	53,269	57,905	51,461	30,387	16,679	16,632

NOTE.—All imports, except from North Africa, are for use on ships calling in French ports.

French Exports of Flour

	1937	1936	1935	1934	1933	1932	1931
	Figures in Metric Tons of 2,204 Pounds						
Belgium	24,024	20,633	24,211	22,948	33,178	2,389	4,622
Egypt . . . . .	.....	.....	.....	1,201	432	1,674	26,937
Germany . . . . .	.....	.....	.....	1,502	387	9,337	24,237

French Exports of Flour—Concluded

	1937	1936	1935	1934	1933	1932	1931
	Figures in Metric Tons of 2,204 Pounds						
Great Britain	22,633	34,723	42,567	53,923	62,717	24,065	87,053
Holland	6,590	7,665	10,066	17,595	11,783	11,294	24,788
Spain . . . . .	.....	.....	.....	45	1,171	1,424	27,623
Turkey . . . . .	.....	.....	5,358	88	125	143	10
Switzerland	3,629	180	1,691	5,047	4,819	38,685	78,627
Spanish Morocco and Canaries..	2,267	21,328	13,535	21,884	20,034	15,535	.....
West Africa	1,444	3,895	5,627	280	255	1,204	.....
Norway	4,532	3,667	2,845	4,009	5,190	2,723	.....
Finland . . . . .	.....	.....	.....	427	1,166	798	.....
Arabia	280	2,719	3,998	.....	.....	.....	.....
Algeria	3,901	2,188	3,536	3,694	2,343	1,059	1,160
Morocco	379	1,935	1,040	436	1,076	7,151	10,938
Tunisia	2,609	1,287	894	5,498	1,865	1,108	371
French West Africa	16,287	14,618	15,411	12,407	9,962	9,600	6,176
Madagascar	2,904	2,991	2,373	1,559	776	685	542
Syria	3,089	2,484	2,395	18,385	30,349	13,574	7,768
Martinique	3,521	3,630	4,623	.....	.....	.....	.....
Other French colonies	4,226	4,075	3,065	4,530	4,437	1,105	.....
Other countries	13,674	4,892	10,078	23,144	15,495	3,908	44,232
	115,989	132,910	153,313	198,602	207,560	147,461	345,084

CANNED TOMATO PRODUCTS MARKET IN THE NETHERLANDS

W. G. STARK, ASSISTANT TRADE COMMISSIONER

(One metric ton equals 2,205 pounds; one kilogram of 1,000 grams equals 2.2 pounds; one guilder or florin equals approximately \$0.55 at the current rate of exchange)

Rotterdam, October 6, 1938.—Tomato production is an important branch of agriculture in Holland, and in 1937 over 38,500 tons were exported in the fresh state, destined principally for Germany and the United Kingdom. Imports of canned tomato products of all sorts are somewhat limited, and in none of the past five years have exceeded 500 tons. Principal imports are of tomato puree from Italy.

IMPORTS

In 1937, specified imports of canned tomato products amounted to 490 tons (fl.112,000) as compared with 165 tons (fl.42,000) in the preceding year. The following table shows total arrivals of canned tomatoes of all sorts, together with the amounts furnished by the principal suppliers in 1936, 1937, and the January-August period of 1938:—

	1936		1937		Jan.-Aug., 1938	
	M. Tons	1,000 Fl.	M. Tons	1,000 Fl.	M. Tons	1,000 Fl.
Total	165	42	490	112	216	49
Belgium	4	1	...	...	...	...
United Kingdom	5	1	...	...	...	...
Italy	101	23	448	102	184	42
Hungary	40	10	32	8	...	...
Switzerland	6	4	...	...	...	...
Argentina . . . . .	...	..	6	2	...	...

TYPES OF IMPORTS

The foregoing figures relate almost exclusively to tomato puree. There are limited arrivals of tomato ketchup for hotel and restaurant use, packed in bottles under well-known labels of international canning concerns. The volume of sales, however, is not large.

Canned whole tomatoes in the standard 2½-size tins are not imported into Holland. A limited quantity is put up by one of the Holland firms for sale to restaurants.

Tomato juice, formerly brought in for sale to foreign residents, is now gaining favour. Labels chiefly seen are those of the international canners, who have advertised extensively. Netherlands canners are also offering tomato juice, but their products are usually more watery and not as tasty as the United States or Canadian product. Opportunities for other Canadian firms in this field are, however, extremely limited, due to the high import tariff and to competition from established brands.

TOMATO PUREE

Tomato puree is imported principally from Italy in round flat tins of 200 grams gross weight (180 grams net) packed 200 tins to the case. Other sizes brought in are ½-kilo, 1-kilo and 5-kilo tins. The small round tins are for the retail trade and the larger size for sale to restaurants, hotels and institutions. Italian tomato puree is concentrated. Retail selling price of a small 180-gram tin is at present 0.15 fl. per tin (approximately 8 cents Canadian).

As shown in the import table, there are also some arrivals from Hungary. This puree is packed in the same size tins but is considerably higher in price and is sold retail at about 0.20 fl. per tin (11 cents). The quality is superior to that of the Italian puree.

Netherlands canners also put up some tomato puree. It is considered by the trade to be of somewhat inferior quality since it contains more liquid than other brands. The selling price of this domestic puree is around 0.12 fl. (7 cents) for a small round flat tin of 190 grams gross weight. One Netherlands canner offers a concentrated tomato puree which is sold retail at approximately 0.15 fl. (8 cents) per tin, but the quality is not considered to be as high as that of the Italian product.

CANADIAN QUOTATIONS

Offers received from Canadian firms by the Rotterdam office have so far, on a weight basis, been almost double prevailing Italian quotations. In addition, Italian puree is often packed in the 5-kilo tins, which permits importation at a lower rate of duty, as indicated by the subjoined schedule of tariff rates. Canadian firms in a position to offer tomato puree at a competitive price are invited to communicate with the office of the Canadian Trade Commissioner at Rotterdam.

DUTIES

The Netherlands has a one-column tariff and imports from all countries pay the same rate of duty. Tomato puree, sauce, ketchup, juice, etc., are dutiable as follows: packed in containers weighing 1,200 grams or less, 31 per cent ad valorem; in containers weighing more than 1,200 grams but not more than 5 kilos, 16 per cent ad valorem; in containers weighing more than 5 kilos, 11 per cent ad valorem.

In all cases there is a turnover tax of 4 per cent on the duty-paid value, but this levy also applies to domestic products. In addition there is a monopoly tax on imported products amounting to 0.20 fl. per kilo net weight.

There are no currency restrictions in Holland and commercial payments are made in the ordinary manner.

ROYAL NETHERLANDS INDUSTRIES FAIR

W. G. STARK, ASSISTANT TRADE COMMISSIONER

Rotterdam, October 4, 1938.—The 39th Royal Netherlands Industries Fair, including the third agricultural fair, was held at Utrecht from September 7 to September 16, 1938. This is the main trade exhibition organized in Holland in which both importers and Netherlands manufacturers participate. The fair is held bi-annually, in March and September.

There was a decrease in the number of visitors of about 10 per cent during the recent session as compared to the number attending last autumn. Attendance from abroad, however, was considered quite satisfactory.

TYPE OF PRODUCTS DISPLAYED

Exhibits included technical displays, colonial goods, foodstuffs, household articles, sports goods, metal ware, machinery, manufactured lines, clothing, building materials, and furniture. There was also a large agricultural section, comprising dairy products, agricultural machinery, fruit, horses, and poultry.

A total of 190,000 square feet of floor space was occupied as compared with 170,000 square feet in September, 1937. Participants numbered 1,211 as against 1,207 in the previous year. Most of the exhibitors were of Netherlands nationality, although foreigners were also well represented, the figures for the main countries being as follows: Netherlands, 886; Germany, 120; Great Britain, 57; United States, 44; Belgium, 39; France, 26; Denmark, 11; Czechoslovakia, 9; Switzerland, 6; and Italy, 5.

Business results were fairly satisfactory. Trade in some branches was stimulated in anticipation of a rise in prices in the near future, and as their stocks were low, buyers purchased extensively in order to bring their supplies up to a normal level. Other exhibitors are hopeful of securing business when conditions become more settled.

CANADIAN PARTICIPATION

Products of the following Canadian firms were on display: Dominion Rubber Co. (rubber footwear), Glovers Guild Ltd. (gloves), Guelph Elastic Hosiery Co. Ltd. (supports), Hespeler Wool Specialty Co. (sports goods), Huck Glove Co. (gloves), Massey Harris Co. Ltd. (agricultural implements), Ontario Glove Co. (gloves), Schick Shaver Limited (electric razors), Schindler Co. of Canada (tennis strings), Starr Skate Manufacturing Co. (skates), Waterloo Glove Co. Ltd (gloves), Welland Vale Manufacturing Co. (hay rakes).

PALESTINE TRADE IN RADIO RECEIVING SETS

HENRI TURCOT, CANADIAN TRADE COMMISSIONER

Cairo, September 29, 1938.—In view of inquiries received from Canada, the following brief review of the trade in radio receiving sets in Palestine is submitted.

SOURCES OF SUPPLY

The United States is the chief supplier of radio equipment to Palestine. In 1936, for example, the last year for which detailed figures are available, the total importation was valued at £P.65,000 (£P. is the equivalent of £1 sterling), of which the United States is credited with £P.40,000; Holland, £P.11,000; the United Kingdom, £P.4,900; Germany, £P.3,000; and Hungary, £P.2,700. In 1937 total imports were valued at £P.80,000, and for the first five months of 1938 at £P.22,000.

The chief foreign receiving sets sold in Palestine are: from the United States, General Electric, Atwater Kent, Philco, Westinghouse, R.C.A., and Victor; Phillips (Holland); and Manoeuvre and Radione (Austria). There are, in addition, many other makes, but the foregoing are the most important. The cabinet type is no longer popular. The assembly locally of radio receiving sets is a growing industry.

. ELECTRIC CURRENT SUPPLY

There are two companies supplying electric power in Palestine, namely, the Jerusalem Electric and Public Service Corporation at Jerusalem and the Palestine Electric Corporation, Limited, Haifa. The former's concession includes a radius of twenty kilometres from the dome of the Church of the Holy Sepulchre at Jerusalem, while the latter covers the remainder of Palestine. Both these companies supply a voltage of 380-220; frequency, 50 periods; system, 3-phase alternating current.

DUTY

Radio receiving sets imported into Palestine are dutiable at 12 per cent ad valorem irrespective of the country of origin.

ECONOMIC SITUATION IN MEXICO

R. T. YOUNG, CANADIAN TRADE COMMISSIONER

Mexico City, September 27, 1938.—June is a month of decreased business activity in Mexico, because with June come the rains. This year several other factors have accentuated the seasonal dullness.

PURCHASING AND SELLING

When the rains become general, the numerous soft roads linking the small towns with main roads or production centres become impassable. As a result, orders by merchants decline, shipments of goods are made on a smaller scale or postponed, and in localities isolated by the rains purchases come to a halt until the rainy season is over. Orders and shipments on a normal scale are not resumed before the latter part of September or October.

Conversely, merchants in the interior or in areas distant from production centres during the dry season purchase what they estimate will be their requirements through the period when it will be difficult to obtain supplies. Consequently May is a month of high activity. When buying is resumed in September or October, purchasers are generally guided by the agricultural production in their districts.

This year the flow of imports has been impeded by the crisis attending the expropriation of the foreign oil companies. Its effect has been aggravated by wage increases, shortage of banking credit and high tariffs. Wage increases have not been accompanied by corresponding increases in production, and the result has been such a rise in the cost of prime necessities that the largest part of the middle class have had little of their income left for semi-luxuries. In other words, there has been less opportunity to sell manufactured goods.

INDUSTRY AND COMMERCE

The fluctuation of the peso in terms of United States dollars and other foreign currencies has added to the difficulties of importers. In a number of cases import merchants have completely suspended their operations awaiting a steadying of the exchange situation.

The sale of farm equipment and electrical appliances started to improve towards the end of June. While construction activity continues to decline, the iron foundries at the end of June had not reduced their volume of production. Other industries depending upon the building trade had contracted operations. The manufacturers of cotton goods are asking for permission to operate only four days per week as they are unable to dispose of their production. Under contracts with their employees they are bound to continue to produce at the same level and their request has been opposed by the workers through their unions. In the meantime inventories continue to accumulate. The woollen industry is accumulating 25 to 50 per cent of its production, and the woollen goods manufacturers have likewise asked to be permitted to reduce working hours. This request has been granted a few manufacturers. The artificial silk industry finds itself in somewhat similar circumstances.

Conditions in the manufacturing and wholesale field are reflected in the retail trade. The sale of automobiles, which in the last few years reached high figures for this country, has declined sharply as a result of the high tariff and the decline of the peso. Distributors who have commitments with manufacturers are operating at a loss in consequence. The situation is illustrated by the following figures of automobile sales: January 855 units, February 522, March 528, April 182, May approximately 90. Production in the shoe industry has fallen as much as fifty per cent. Manufacturers are obliged to pay their workers fixed wages and a number have found it difficult to meet previous commitments. Manufacturers of rubber goods have been least affected. In April and May unsold inventories had doubled over the previous months. However, sales in the latter part of June showed an improvement, owing to the fact that old automobiles have not been traded in for new ones and therefore the demand for tires and inner tubes was greater. A reduction of tariffs on materials used in their manufacture helped the rubber goods industry.

Mining shows satisfactory progress, the large companies having increased their production and exports.

CREDITS

The subnormal consumption of goods has been partly attributed to the restrictions placed by monetary authorities upon credit. Many business deals and large numbers of commercial transactions have been held up due to lack of money, particularly in outlying towns where the local banks do not possess large resources. The Central Bank has, however, recently instituted a more liberal credit program, and financially sound operations are being assisted. Under the present conditions, however, many precautions have to be taken by lenders and borrowers alike.

TRADE OF THE DOMINICAN REPUBLIC IN 1937

C. S. BISSETT, CANADIAN TRADE COMMISSIONER

Havana, October 1, 1938.—In 1937 there was a substantial increase in the value of both exports from and imports into the Dominican Republic, due not only to the higher price levels prevailing but also to greater volumes in each case. The total of both trade categories amounted to \$29,812,367 as compared with \$25,076,475 in the preceding year. Of this total, imports accounted for \$11,691,896 as against \$9,926,567 in 1936, an increase of 17.7 per cent; and exports for \$18,120,471 as compared with \$15,149,908 in 1936, an increase of 16.4 per cent.

BALANCE OF TRADE

The above figures show a favourable trade balance of \$6,428,575 for the year's operations, a figure which has been exceeded only five times since 1905.

However, the republic's invisible imports, such as maritime freight charges, banking and insurance services, dividends on foreign capital investments, servicing of the foreign debt and similar charges, will reduce considerably this favourable visible balance. Nevertheless, sufficient will remain in the country to provide a substantial profit on the year's trading.

FOREIGN TRADE

The following table, published in the Report of the 31st Fiscal Period Dominican Customs Receivership, from which all statistics shown herein are taken, indicates the total values of the import and export trade of the republic for the years 1933 to 1937, in United States currency:—

	Imports	Exports
1933	\$ 9,322,688	\$ 9,625,473
1934	10,574,344	12,894,636
1935	9,790,033	15,487,149
1936	9,926,567	15,149,908
1937	11,691,896	18,120,471

From the low point in 1933, when there was a distinctly unfavourable balance of accounts, despite a small favourable balance of trade, the country has fairly consistently progressed to the point where the profitable operations of 1937 made it possible to liquidate a substantial amount of outstanding indebtedness, repair financial reserves, and prepare for further expansion in the future. The figures for the past three years show a fairly well-defined relationship between total imports and total exports, and a continuance of this ratio between the two would appear to indicate healthy economic conditions in the territory.

IMPORTS BY COUNTRIES

The following table indicates the total value of the imports from the countries listed therein, with comparative figures for 1936:—

	1937	1936
United States	\$ 6,115,157	\$ 4,765,201
Japan	1,478,881	1,272,861
Germany	904,767	707,022
United Kingdom	777,073	634,384
British India	386,181	575,800
France	307,299	183,174
Dutch West Indies	269,580	317,334
Belgium	228,241	.....
Canada	203,348	203,244
Netherlands	130,565	150,076
Italy	120,959	.....
Cuba	67,414	.....
Puerto Rico	22,853	34,193
New Zealand	11,514	12,143
All others	668,064	1,071,135
Totals	\$11,691,896	\$9,926,567

The United States is by far the most important supplier of merchandise to the Dominican Republic. Because of proximity to the market, good freight services, and United States investment in the island, that country's share of the total import trade amounted to 52 per cent in the year under review as compared with 48 per cent in the preceding year. Japan was second in importance with a percentage total of 13 in both years. Cotton goods accounted for 80 per cent of the republic's purchases from that country. Great progress has been made since 1931, when Japan's sales were valued at only \$65,650, the explanation being the low prices and long terms offered by Japanese manufacturers. Germany also has made marked progress since 1934 and is now third in importance as a supplier with percentage shares of 8 and 7 respectively in the two

years. The United Kingdom was until recent years always second. The rise of both Japan and Germany has resulted in the United Kingdom being in fourth place with shares of 7 and 6 per cent respectively.

IMPORTS BY CHIEF COMMODITIES

The chief commodities imported into the Dominican Republic during the year, with comparative figures for 1936, are given below:—

	1937	1936
Cotton and manufactures	\$2,246,003	\$1,931,526
Machinery and apparatus	858,763	568,780
Chemical and pharmaceutical products	724,902	576,285
Jute bags	440,269	642,270
Iron structural material	424,795	390,465
Paper and paper manufactures	383,700	299,629
Gasoline	304,092	292,246
Automobiles	295,939	233,619
Wheat flour	286,930	246,562
Silk and manufactures	272,194	199,015

Cotton piece-goods and cotton manufactures of various kinds combined constitute the most important item of import into the republic, amounting in 1937 to 19 per cent of the total imports of all kinds. The above figures show a 16 per cent increase over those for 1936. Japan supplied 53 per cent of the total, followed by the United States with 31 per cent and the United Kingdom 11 per cent.

Machinery and apparatus, which in 1936 was the fourth most important item, is now second, indicating the considerable progress made in the rehabilitation of the country's sugar mills and other factory plant. The increase in 1937 in this item as compared with the preceding year was 51 per cent. Of the total, the United States supplied 88 per cent, the remainder coming mainly from Germany.

Chemical and pharmaceutical products increased by 26 per cent over 1936, the shares of the total for the chief suppliers being: United States, 42; France, 13; and Germany, 12 per cent.

Jute bags, the only item showing a decrease, are used extensively as containers for the republic's chief exports. British India accounted for 86 per cent of the total value of this import item, 5 per cent going to the United States.

Iron structural material at one time was imported principally from the United States. However, that country's share of the total dropped from 65 per cent in 1936 to 48 per cent in the year under review. Germany's share likewise dropped from 23 per cent to 10 per cent. Belgium was mainly responsible for these decreases, as that country's share rose from 11 per cent in 1936 to 35 per cent in 1937.

Paper and its manufactures are principally a United States trade, that country's share of the total amounting to 69 per cent. Various North European countries supplied most of the remainder as follows: Sweden, 7 per cent; Finland and Esthonia, 6 per cent each; and Germany, 4 per cent. Canada is not listed separately as a supplier.

The United States in recent years has always been second to the Dutch West Indies as a supplier of gasoline. However, in 1937 the positions were reversed, the former accounting for 50 per cent of the total as compared with the latter's 40 per cent.

The automobile imports constituted almost a 100 per cent monopoly for the United States.

Wheat flour imports similarly originated almost wholly in that country, except for 7 per cent which fell to Canada.

The silk and silk manufactures group came mainly from the United States and Japan, the shares of each being 54 and 37 per cent respectively.

The above ten commodity groups represent 53 per cent of the total imports and accounted for a value of \$6,237,587. Other items of note were: edible oils, hides, agricultural machinery, illuminating oil, cement, motor trucks, crude oil for fuel, rubber tires and tubes, dried and salted fish, liquors and beverages, copper and its alloys, earthenware, porcelain, clay and pottery, paints, pigments and varnishes, and lard.

EXPORTS BY COUNTRIES

The following table indicates the value in United States currency of exports to the various countries listed therein, with comparative figures for 1936:—

	1937	1936
United States	\$ 5,832,213	\$ 4,601,616
United Kingdom	5,430,447	5,599,010
France	2,594,744	1,772,720
Morocco	1,076,853	459,928
Germany	589,033	327,597
Netherlands	561,894	494,050
Puerto Rico	518,986	316,475
New Zealand	389,750	339,885
Dutch West Indies	259,453	190,383
Japan	235,263	257,925
Egypt	180,096	215,210
All others	451,739	575,109
Totals	\$18,120,471	\$15,149,908

By notably increasing its purchases in 1937 to 32 per cent of the republic's total exports, the United States supplanted the United Kingdom, which bought 31 per cent of the total, as the republic's principal customer. The percentages in 1936 were respectively 30 and 37 per cent. France increased its share from 12 to 14 per cent. Among the remaining countries were: Morocco, 6 per cent; Germany, Netherlands, and Puerto Rico, 3 per cent each; New Zealand, 2 per cent; and all others, 1 per cent.

EXPORTS BY COMMODITIES

The following table lists the values in United States currency of the principal export commodity groups:—

	1937	1936
Sugar, raw	\$10,683,331	\$8,509,035
Cacao	2,523,729	1,585,295
Coffee	1,765,055	2,020,048
Molasses	844,240	985,272
Corn	319,325	308,434
Gold	262,453	378,592
Starch	215,410	48,107
Cattle hides	194,655	121,442
Leaf tobacco	172,260	198,537
Lignum vitae	122,122	81,428

Agriculture is the republic's main industry, and it is natural that agricultural products, both primary and secondary, should bulk so largely in the island's export trade. Of these sugar is by far the most important. In the year under review raw sugar and molasses combined accounted for 64 per cent of the total exports. When cacao and coffee are added these products combined accounted for 88 per cent of this total.

Of the raw sugar the United Kingdom took 49 per cent; the United States, 15 per cent; France, 14 per cent; and Morocco, 10 per cent of the total exports.

The cacao, with the exception of some 2 per cent only, went entirely to the United States.

France, with 56 per cent, was the chief purchaser of coffee, followed by the United States with 25 per cent and Germany with 7 per cent.

All the molasses exported went to the United States.

Beyond the above-noted commodities, no other accounts for more than 2 per cent of the total exports.

CANADIAN-DOMINICAN REPUBLIC TRADE

For the past seven years imports from Canada into the Dominican Republic have remained more or less stationary, whereas exports to Canada have fluctuated greatly from year to year, the last three years excepted. The following table gives the values in each case in United States currency:—

	Imports	Exports
1931	\$323,630	\$ 502,784
1932	261,426	91,746
1933	260,183	59,136
1934	271,915	1,275,515
1935	169,481	.....
1936	203,244	100
1937	203,348	.....

EXPORTS

The official figures for 1937 list no exports whatever to Canada. However, it is more than likely that noteworthy purchases of the republic's products were made during the year from produce consignments held in the United States. Practically all of the trade between the two countries is handled through United States Atlantic ports, which makes it difficult to record accurately the true origin and destination of all shipments made. The year 1934 was the most outstanding in recent times, the entire value shown being for raw sugar.

IMPORTS

Canadian sales to the republic are handicapped by the lack of any direct regular freight service between the two countries, which necessitates transshipment at United States Atlantic ports or, alternatively, an expensive rail haul thereto. In the case of many products this extra shipping cost is enough to make Canadian goods non-competitive. In addition, a tariff handicap exists in the case of some items, notably dried fish, which since the preferential tariffs concerned were given to other countries has reduced Canadian sales of that commodity.

The table below lists the values of the chief commodities sold by Canada to the republic during the past two calendar years:—

	1937	1936
Wheat	\$ 57,347	\$ 40,260
Herring and all smoked fish	43,469	22,288
Codfish and all salted and dried fish	20,294	77,143
Caustic soda, tallow, greases for soap manufacture	19,570	644
Rubber tires and tubes	12,914	5,842
Cereal preparations	11,898	11,181
Potatoes, including seed	8,124	2,925
Wheat flour	6,725	17,746
Writing and printing paper	5,931	4,076
Chemical and pharmaceutical products	2,755	3,257
Paper and manufactures: all other	2,276	605
Condensed milk	2,135	3,592
Simple bodies, mineral, chemical and pharmaceutical	1,978	2,440
Copper, alloys and manufactures	1,434	519
Iron and steel manufactures	1,387	581
Hosiery: silk, art and natural	1,233	256
All other	3,878	9,889
Totals	\$203,348	\$203,244

The sum of the values of all the separate items imported from Canada in 1937 is actually \$204,165 instead of the official figure of \$203,348 shown in the

trade returns as above. The error may be due to the failure to include in the total a value of \$817 for natural and artificial silk cloth, which is listed in the detailed import section.

Beyond those listed above, the value of no other commodity reached \$1,000.

Heretofore, dried codfish has always been the most important item imported from Canada, but this year its total value fell off sharply. This was due entirely to the preferential treatment given French codfish through the exemption, accorded under the French-Dominican Republic Trade Treaty, from the payment of the 5 cents per kilogram internal revenue tax. This tariff handicap has been found insurmountable by Canadian exporters when in competition with dried codfish from the French islands of St. Pierre and Miquelon. Moreover, successive decreases in Canadian sales are anticipated as long as the present tariff situation prevails.

Partial compensation for this loss was obtained through increased sales of bloaters and other smoked fish, which almost doubled in value as compared with 1936. Wheat also showed a substantial gain over the previous year, although it was accompanied by a sharp drop in the total value of the wheat flour exported. The item covering products for soap manufacture, which was almost wholly inedible tallow, is practically a clear gain over the preceding year. Rubber tires and tubes and paper of various kinds also showed substantial increases, as did copper and iron and steel products, silk hosiery, and cereal preparations.

Shipments of seed potatoes also improved greatly, although the amount concerned is still small in comparison with the quantities shipped to other sections of the West Indies.

Other commodities shipped to the republic from Canada during the year under review but not sufficiently important to be listed in the foregoing table are appended:—

Books and other printed matter, \$57 (\$191); vegetable products for pharmaceutical use, \$120 (\$141); cotton yarns, \$29 (\$22); all other cotton products, \$39 (\$157); fish, pickled, \$38 (\$40); other grains, \$15 (\$1,271); other foodstuffs, \$20 (\$10); hide and skin manufactures, miscellaneous, \$38 (\$116); iron and steel household ware, \$152 (\$522); liquors and beverages, \$383 (\$239); electrical machinery and apparatus, \$341 (\$10); miscellaneous machinery and apparatus, \$89 (\$27); writing, printing, and lithographic inks, \$79 (\$22); all other inks, \$61 (\$21); blank paper books, \$424 (\$105); wrapping paper, \$62 (\$3,064); rubber manufactures, miscellaneous, \$482 (\$30); natural and artificial silk cloth, \$817 (\$2); silk and rayon manufactures, all other, \$21 (\$33); boards, planks, beams, \$538 (\$1,231); all other wood and manufactures, \$190 (\$482); hair and bristle brushes, \$371 (\$122).

PRODUCTION OF PAPER IN ARGENTINA¹

J. A. STRONG, CANADIAN TRADE COMMISSIONER

(One metric ton equals 2,204 pounds)

Buenos Aires, August 25, 1938.—The Argentine paper-making industry produced approximately 65,000 tons of paper of all types in the year ending June 30, 1935. Newsprint is not produced in Argentina. There were 22 paper mills in operation, and 2,270 workmen were employed during the year.

Argentina does not produce wood-pulp, due to the lack of commercial stands of suitable trees. The rather limited forest areas that might be suitable for the production of woodpulp are inaccessible owing to transportation difficulties, and there is no cheap power available at present. Some woodpulp was manufactured during the period of the Great War from an area planted with softwoods for box-making, but it is not profitable under normal conditions.

In 1935 the Argentine paper-making industry consumed 33,313 tons of pulp, including wheat straw, cellulose, and wood-pulp, and 40,492 tons of scrap or waste paper. Imports of wood-pulp of all types amounted to 28,549 tons in 1935, 37,154 tons in 1936, and 42,958 tons in 1937. The demand for

¹ This report is complementary to one entitled "Argentine Paper Market," published in *Commercial Intelligence Journal* No. 1797 (July 9, 1938).

imported wood-pulp was for the paper-making industry, although since the opening of a new rayon plant last year there is an additional demand for that industry. The increase shown in the imports of wood-pulp reflects an expansion in the local production of paper since 1935. There has been an increase recently too in the production of straw cellulose here.

CONSUMPTION OF PAPER

The following table gives the official figures of production of the general types of paper that are manufactured in Argentina for the year ending June 30, 1935, and total imports of these types from 1934 to 1937. Domestic production of all types of paper not included above were valued at approximately \$175,000 in 1935:—

	Production 1935			Imports 1934-37		
	M. Tons	Per Cent of Cons.	1934 M. Tons	1935 M. Tons	1936 M. Tons	1937 M. Tons
Newsprint .. . . .	.....	..	138,822	140,403	148,584	169,070
Writing, book	14,827	46	18,317	17,533	20,159	31,511
Wrapping	28,560	78	7,581	7,929	7,920	9,917
Cardboard	19,430	56	14,661	15,080	17,994	21,218
Toilet	908	52	829	844	1,031	1,382
Total	63,725	26	180,210	181,789	195,688	233,098

NEWSPRINT

The publishers of newspapers, periodicals, magazines, etc., in Argentina consumed 105,561 metric tons of newsprint in 1935. The job printing establishments took another 7,766 tons of newsprint. It will be noted that total imports of newsprint in 1934 amounted to 138,822 tons and were approximately at the same level—140,403 tons—in 1935, so that there was an apparent annual excess of imports over consumption, apart from a possible carry-over, of 26,285 tons. This may be accounted for in part at least by the former practice of selling newsprint as wrapping paper. Newsprint enters duty free, while a heavy duty is imposed on wrapping paper. The practice of using newsprint as wrapping paper, however, is believed to have been stopped by legislation enacted last year making obligatory the watermarking of newsprint and confining the use of water-marked paper to the printing of newspapers, periodicals, etc.

WRITING, BOOK PAPER, ETC.

The Argentine paper-making industry produced nearly half of the domestic consumption requirements of this class of paper in 1935. The job printers used 8,687 tons and the newspaper publishers 560 tons of book paper in 1935.

The principal classes of paper used by the job printers, in addition to the newsprint and book paper shown, were: glazed and semi-glazed paper for illustrations, 3,274 tons; linen and part linen, 2,108 tons; book-cover, 1,302 tons; poster paper, 828 tons; book-keeping paper, 491 tons; and other papers to the value of approximately \$650,000. The newspaper publishers used also 2,041 tons of glazed paper, 57 tons of linen paper, 74 tons of book-cover and approximately \$35,000 in other papers. Consequently the job printers and the publishers used almost 22,000 tons of these types of paper, leaving approximately 8,000 tons for other uses.

WRAPPING PAPER

The apparent consumption of wrapping paper was approximately 35,000 tons in 1935, of which nearly 80 per cent was produced in Argentina. The principal demand for imported wrapping paper is for the making of cement and lime bags, and the main source of supply is Sweden. Other imports of wrapping

paper are largely fine grades for special uses. The value of paper bags manufactured in Argentina was approximately \$1,080,000 (Canadian) in 1935, of envelopes \$470,000, and of sundry papers \$280,000. Imports of paper bags amounted to 9.6 tons in 1935.

CARDBOARD

Argentina produced more than half of her consumption requirements in cardboards in 1935. Of the 15,080 tons imported in that year, unglazed cardboard accounted for 10,346 tons, fine for 2,945 tons, and general types for 1,725 tons. Finland, Germany, Holland, and Sweden were the principal suppliers.

The values of the principal products manufactured locally from cardboard in 1935 were: cardboard boxes, approximately \$1,700,000; match boxes, \$440,000; plates, \$149,000; other paper boxes, \$260,000; and sundry, \$325,000.

CARBON PAPER

Argentina produced 47 tons of carbon paper in 1935. Imports amounted to 34 tons and increased to 41 tons in 1937.

OTHER PAPERS

Certain classes of paper are not shown as being produced in Argentina; imports were as follow in 1937: cigarette paper, 1,740 tons; blotting paper, 342 tons; filter paper, 62 tons; emery paper base, 193 tons. Argentina produced 582 tons of paraffined paper in 1935. Paper for fruit wraps is imported into Argentina.

WHEAT AND FLOUR TRADE REGULATION IN JAPAN

C. M. CROFT, COMMERCIAL SECRETARY

(One yen equals approximately 29 cents Canadian at the present rate of exchange)

Tokyo, September 19, 1938.—There are no specific regulations in force in Japan covering the importation of wheat and wheat flour. The Foreign Exchange Control Law, which came into force in 1932, but which has since been widened in its scope, imposes restrictions on the purchase of foreign exchange and this is the only restrictive measure (apart from the usual customs duty) applicable to wheat and flour. The reason for the absence of any specific control regulations on the wheat and wheat flour trade is undoubtedly due to the fact that rice is the outstanding item of staple diet and that bread must be classed as merely an auxiliary food. The actual effect of the operation of the Foreign Exchange Control Law has been to restrict the purchase of foreign exchange to those commodities which are regarded as necessities. Since wheat and flour do not fall in that category, the importation of these commodities during recent months has been severely reduced as will be observed in the statistics quoted below covering imports.

CUSTOMS DUTIES

The rate of customs duty applicable to wheat is 2.50 yen per 100 kin (132 pounds), which at the current rate of exchange is equivalent to about 33 cents Canadian per bushel. The rate of duty on wheat flour is 4.30 yen per 100 kin or approximately 46 cents Canadian per sack of 49 pounds. It should be noted, however, that the drawback regulations under the Japanese Customs Tariff Law provide for the exemption from or drawback of any duty or portion thereof when imported goods are used in the manufacture of articles for export. The application of this provision to wheat has meant in the past that Japanese flour millers could import wheat for milling and re-export and secure a refund of the whole of the import duty paid on exporting the flour made from such wheat.

DOMESTIC WHEAT PRODUCTION

Although there are no import restrictions applying specifically to wheat and flour, there is in force a definite scheme to encourage the domestic production of wheat. Regulations were promulgated in 1932 for this purpose. They take the form of subsidies payable to agricultural experimental farms and to the Farmers' Guild, a voluntary organization which has governmental sanction and support. The amount included in the appropriations passed by the Imperial Diet for each of the fiscal years ended March 31, 1938, and ending March 31, 1939, was 551,480 yen (about \$159,900). The subsidies are not allocated for specific purposes, but the amount appropriated is for (1) the establishment of officers engaged exclusively in the encouragement of wheat production; (2) the investigations to be conducted by the Hokkaido and other agricultural experimental farms into the classes of seed wheat to be encouraged; (3) the cultivation of wheat for seeding purposes by the Hokkaido and other experimental farms; (4) encouragement of the reduction of the cost of production; and (5) the control of sales.

The attempts to increase wheat production have met with satisfactory results. In 1931, the year prior to introduction of the scheme, the area under wheat was 1,228,000 acres and the yield was 31,772,000 bushels. In 1932 the acreage rose to 1,244,649 with a production of 32,227,000 bushels. By 1935 the area under wheat was 1,626,476 acres and the crop amounted to 47,893,000 bushels. In 1937 production was 49,580,000 bushels, taken from 1,775,270 acres. The preliminary estimate for the 1938 season put the crop at 49,810,000 bushels and the area in wheat at approximately 1,776,500 acres. However, weather conditions have been adverse during most of the summer and the latest information is that the crop may now fall below 45,000,000 bushels.

GRADING

Japanese wheat is graded into first, second, third, and fourth grades and there is also an ungraded quality with "A" and "B" classifications. The third grade is regarded as the standard. The first grade is valued at the equivalent of 3 kin (approximately 4 pounds) per 100 kin (132 pounds) above the standard, while the value of second grade wheat is the equivalent of 1 kin (about $1\frac{1}{3}$ pound) above the standard. Fourth grade is valued at $2\frac{1}{2}$ kin (about $3\frac{1}{3}$ pounds) per 100 kin below standard. Ungraded "A" class is 6 kin (about 8 pounds) and ungraded "B" class 10 kin (about $13\frac{1}{4}$ pounds) per 100 kin below the standard grade. In other words, if the standard (third grade) wheat is quoted at 10 yen per 100 kin (132 pounds), the value of first grade would be 10.30 yen, the value of second grade 10.10 yen, of fourth grade 9.75 yen, of ungraded "A" class 9.40 yen, and of ungraded "B" class 9 yen per 100 kin.

WHEAT SALES

There are several methods of selling the local crop of wheat. Probably the most common is for the growers to sell direct to the purchasing agent of one of the large flour-milling companies. A considerable quantity is sold through grain brokers. The Farmers' Guild, referred to previously, looks also after the sale of quite a large portion of the crop. The Farmers' Guild experts fix a minimum price for the wheat, based on the grade and general market conditions, and the wheat is then auctioned. One of the largest flour millers state that for their own requirements they buy on the basis of a standard grade of over 60 pounds per bushel and a moisture content of less than 12 per cent.

CURRENT MARKET CONDITIONS

Index numbers compiled by the Bank of Japan covering the average monthly wholesale prices of domestic and imported wheat indicate that the price of

locally grown wheat has shown a rising tendency, while the reverse is true for imported wheat. The reason for this is apparently to be found in the operation of the Foreign Exchange Control Law, which has made it extremely difficult to import wheat and thus caused a keen demand for domestic wheat.

The price of domestic wheat of third grade or standard ranged between 10 and 10·30 yen per 100 kin (132 pounds) in January, 1938, as compared with 10·10 to 10·40 yen in January, 1937. The quotations for June, 1938, were between 10·15 and 10·45 yen as against 8·80 to 9·30 yen for the corresponding month of 1937.

Canadian No. 3 Northern was quoted at 11·51 to 11·99 yen in January, 1938, as compared with 10·10 to 10·96 yen in January, 1937. Quotations in June, 1938, averaged between 8·70 and 10·13 yen as compared with 10·60 to 12·16 yen in June, 1937.

Prices of Australian wheat ranged between 8·24 and 8·31 yen in January, 1938, and between 8·65 and 9·40 yen in January, 1937. The price range in June, 1938, was from 8·24 to 8·31 yen as against 9·30 to 9·90 yen in June, 1937.

American Western White Walla No. 2 was priced from 8·45 to 8·78 yen in January, 1938, as compared with 9·75 to 9·81 yen in January, 1937, and from 6·50 to 8·15 yen in June, 1938, as against 9·52 to 10·90 yen in June, 1937.

The prices of the imported wheat quoted are all c.i.f. prices. It will be observed that Canadian wheat quotations were higher than those for either Australian or United States wheat. While the quality of the Canadian product is beyond doubt, it must be remembered that imports of wheat have been largely for local milling and subsequent re-export to countries which have been affected by the current unsettled condition in the Orient, and in which quality is of less importance than in many other markets.

IMPORTS OF WHEAT

The imports of wheat during the first six months of 1938 declined 55·3 per cent in volume and 53·9 per cent in value as compared with the first six months of 1937. The following table shows the quantity and value of the imports by supplying countries during those two periods:—

Imports of Wheat into Japan by Countries, January-June

	1937 Bushels	1938 Bushels	1937 Yen	1938 Yen
Total	4,047,916	1,809,085	16,986,228	7,381,749
Australia	2,212,199	947,557	9,247,262	3,437,726
Argentina	459,703	55,240	1,805,798	245,431
China	49,872	1,632	161,400	5,562
Canada	751,372	.....	3,591,727	.....
Other	574,770	804,656	2,180,041	3,693,030

It will be noted that no imports from Canada are recorded for the six months ended June 30, 1938. Imports from Australia dropped 57·1 per cent in volume and 62·8 per cent in value, those from Argentina declined 88 per cent in volume and 86·4 per cent in value, and those from China 96·7 per cent in volume and 96·5 per cent in value. Imports from "other countries," however, increased 40 per cent in volume and 69·4 per cent in value. These imports were largely from Manchuria and Mesopotamia. Approximately 60 per cent was from the former and 40 per cent from the latter.

No accurate information is available as to the imports of wheat from those two countries for the first six months of 1938. During the three months ended March 31, 1938, the imports from Manchuria amounted to 252,982 bushels valued at 1,290,000 yen as compared with 131,052 bushels valued at 532,000 yen for the first quarter of 1937. Imports of Mesopotamian wheat during the first three months of 1938 totalled 143,218 bushels valued at 490,000 yen as against 134,052 bushels to the value of 457,000 yen for the corresponding period of 1937.

It is well known that Japan has been looking to Manchuria for larger supplies of wheat and the close economic and financial relations between the two countries have naturally fostered trade. It is believed that the continued imports of Mesopotamian wheat result from the reciprocal trade agreement which exists between Japan and Iraq, coupled with the fact that Japan had a favourable visible balance of trade with Iraq of about five million yen during the first half of 1938.

WHEAT FLOUR

According to the *Oriental Economist*, the production of wheat flour during the first four months of 1938 amounted to 13,140,000 sacks of 49 pounds each, as compared with 10,244,000 sacks during the first four months of 1937, an increase of 28·3 per cent. The production during the calendar year 1937 was 34,519,000 sacks and in 1936 was 35,713,000 sacks.

Exports of wheat flour during the first six months of the current year as compared with the first half of 1937 showed a heavy increase of 280·5 per cent in quantity and 347·9 per cent in value. The following table shows the quantities and values for the two periods:—

Exports of Wheat Flour, January-June

	1937 Barrels	1938 Barrels	1937 Yen	1938 Yen
Total	406,258	1,545,692	6,333,107	28,366,028
China	4,631	959,029	70,639	17,365,747
Kwantung Leased Territory	249,124	359,122	3,855,284	6,716,672
Manchukuo	98,005	227,539	1,548,434	4,283,583
Dutch East Indies	5,369	2	87,998	26
Philippine Islands	31,159	.....	524,249	.....
Straits Settlements	717	.....	10,281	.....
Other	17,253	.....	236,222	.....

A point of particular interest is the substantial increase in exports to the countries in the "yen-bloc," namely, Manchukuo, China and the Kwantung Leased Territory, and the absence of shipments to other countries.

The importation of wheat flour has practically ceased. During the first three months of 1938 the imports amounted only to 2,774 barrels valued at 61,000 yen, of which 2,356 barrels worth 53,000 yen came from Manchukuo. The United States is credited with 290 barrels and Canada with 38 barrels in this period. During the first three months of 1937 the imports were 45,034 barrels worth 784,000 yen, of which Canada supplied 44,874 barrels valued at 780,000 yen. Canadian flour has been almost entirely used in Japan for the manufacture of a flavouring essence and virtually for no other purpose. The manufacturers of that product have been unable to secure exchange permits as their product is regarded as non-essential. Substitute materials as an alternative source of supply for gluten have been tried but, it is understood, they have not been found to be as satisfactory as Canadian "clear" flour. Therefore it is anticipated that Canadian trade in wheat flour will be resumed when conditions return to normal. There is the possibility that Manchukuo will supply increasing quantities of wheat for milling purposes and thus cause a permanent decline in sales of Canadian flour.

FLOUR PRICES

The index numbers compiled by the Bank of Japan show that the price of wheat flour has shown some increase as compared with last year. The "high" average price for June 1938 was 5·03 yen for a 49-pound sack of standard grade of flour milled by two of the largest companies. The "low" average price was 4·84 yen. For June 1937 the "high" average was 4·43 yen and the "low" 4·18 yen. The average price during the first six months of 1938 was between 4·75 and 5·03 yen.

TARIFF CHANGES AND CUSTOMS REGULATIONS

Australia

TARIFF DECISIONS

Australian Customs decisions, as to the classification and rates of duty on articles regarding which question had been raised, include the following:—

Electric ventilating fans (or blowers) which generate a current of air through a duct or pipe, driven by electric motors exceeding 15 watts; also electric fans with fan blades attached to motor spindle and with frame specially constructed for attaching over a vent in a wall, driven by electric motors exceeding 15 watts, are dutiable at 30 per cent ad valorem under the British preferential tariff and 57½ per cent ad valorem under the general tariff, both rates to increase as present Australian currency depreciation may be lessened (item 179D6).

Fish meal made from putrid fish and offal is free of duty under both British preferential and general tariffs (item 403C). Fish meal made from wholesome fish is dutiable at 2s. per 112 pounds under both tariffs (item 33).

Dress preservers (or dress shields) are dutiable at 30 per cent ad valorem under the British preferential tariff and 50 per cent ad valorem under the general tariff (item 122A). The former provision, under item 404, for admission of dress preservers if for permanent fixture to dress, free of duty under the British preferential tariff and at 15 per cent ad valorem under the general tariff, is cancelled.

"Ice cream mix," being a mixture of dried skim milk, cane sugar, rennet, and a flavouring, for domestic use, is dutiable at 15 per cent ad valorem under the British preferential tariff and 33½ per cent under the general tariff, rates to increase as present Australian currency depreciation is lessened (item 79).

Rubber floor coverings in sizes up to 12 inches by 12 inches (or its equivalent) are dutiable at 2s. 3d. per square yard under the British preferential tariff, 5s. per square yard if from "most favoured" countries, and 6s. per square yard if from other non-British countries, with alternative rates if they yield higher duty of 20 per cent, 45 per cent, and 55 per cent respectively (British preferential rates to increase as Australian currency depreciation may be lessened) (item 240A). Other rubber floor coverings pay 25 per cent under the British preferential tariff and 42½ per cent under the general tariff (item 332C).

Canadian goods under the above items, having the required content of Canadian and/or Australian material and labour and shipped in accordance with Australian regulations, are entitled to British preferential tariff rates.

Goods from all countries outside the British Empire are subject to general tariff rates, except where rates for "most favoured" countries are stated.

TARIFF TREATMENT OF POWER MOWERS

The Australian tariff provides that mechanical driving units incorporated in imported machines shall not, unless the tariff item covering the machine specifically so directs, be dutiable under such item, but shall be separately dutiable under the item applicable to such driving units when not incorporated in machines. Exceptions to this rule are made from time to time by published ministerial direction. (See article "Tariff Treatment of Power Units" in *Commercial Intelligence Journal* No. 1758: October 9, 1937, page 647.)

A direction has been issued providing that "mechanical driving units incorporated in or forming part of mowers, classifiable under tariff items 161B1, 161B3, and 171C, including apparatus for transmitting power from the driving units to the mowers, are to be charged with duty at the rates applicable to the mowers in which they are incorporated or of which they form a part."

Descriptions of mowers covered by the tariff items affected are: 161B1, electrically driven lawn mowers; 161B3, other lawn mowers (except hand mowers); 171C, other mowers (agricultural implements).

DEFERRED DUTY ON IRON AND STEEL HOOP

The deferred rates of duty under Item 136F2 of the Australian customs tariff on "hoop iron and steel not elsewhere included" that were to have gone

into effect on October 1, 1938, have been further postponed until January 1, 1939. Under the item as at present effective the goods are free of duty under the British preferential tariff (applicable to Canada) and dutiable at 15 per cent ad valorem under the general tariff. The deferred rates are 10 per cent ad valorem under the British preferential tariff and 22½ per cent ad valorem plus 70s. per 2,240 pounds under the general tariff with provision for additional duties under both tariffs as present Australian exchange depreciation may be lessened.

Tonga

CUSTOMS TARIFF REVISION

A new Customs Duties Act of the British protectorate of the Tongan Islands, dated July 28, 1938, includes a revised schedule of rates. Changes from the former rates are mainly increases in the general tariff, while British preferential rates (applicable to Canadian goods) remain as before. Margins of preference are consequently increased.

The following articles, which were formerly free of duty under both tariffs, remain free under the British preferential tariff but are now subject to 20 per cent ad valorem under the general tariff: dynamite, lithofracteur, blasting powder and similar explosives; dynamite caps and detonators; fruit cases and shooks; manures.

Articles previously not specified but now scheduled as free under the British preferential tariff and 20 per cent ad valorem under the general tariff include: copra driers and component parts thereof; flame throwers; fencing staples; barbed and plain fencing wire; wire netting; galvanized water pipes; water pumps and other water-pumping plants and all essential parts thereof. (The former rates on enumerated goods were 12½ per cent ad valorem under the British preferential tariff and 20 per cent ad valorem under the general tariff.)

The following remain free of duty under the British preferential tariff, as heretofore, but under the general tariff are increased from 12½ per cent to 20 per cent: barrels, kegs, and similar articles imported empty to contain Tongan produce; insecticides and fungicides; live stock; machinery and plant for public electric lighting purposes.

A wide variety of machinery and implements for agriculture, dairying, and lumbering remain free under the British preferential tariff, while the general tariff rate is increased from 10 per cent to 20 per cent ad valorem. Unspecified machines, approved by the Privy Council, for the establishment or development of local industries may be admitted at the same rates.

Boots, bootees, shoes, overshoes, slippers and sandals are dutiable at 12½ per cent ad valorem under the British preferential tariff. The general tariff rates for children's sizes are 33½ per cent ad valorem or 1s. per pair, whichever is higher, while for adults' sizes the rates are 33½ per cent ad valorem or 2s. respectively. These articles were not previously named in the tariff.

Shirts, singlets and undervests, also umbrellas, parasols, and sunshades, are 12½ per cent under the British preferential tariff and under the general tariff 33½ per cent with alternative specific rates if higher. These articles were not formerly named in the tariff.

Textile piece-goods continue at 12½ per cent under the British preferential tariff, while the general tariff is increased from 20 per cent to 33½ per cent with alternative specific rates if these return higher duty.

Timber, dressed or surfaced, remains at 2s. per 100 superficial feet under the British preferential tariff, while the general rate is increased from 2s. 6d. to 3s.

Shingles pay 2s. per 1,000 under the British preferential tariff as heretofore, the general tariff rate being increased from 2s. to 3s.

The rates for unenumerated goods, which apply to a considerable range of articles, are 12½ per cent under the British preferential tariff as heretofore, while the general tariff is increased from 20 per cent to 33½ per cent.

The British preferential rates apply to products or manufactures of Canada and other parts of the British Empire. The general tariff applies to all other goods.

In order to qualify for entry under the British preferential tariff, the general requirement is a British Empire content of one-fourth of their factory or works cost, but an Empire content of one-half such cost is required for a list of specified articles similar to the list for which the United Kingdom requires an Empire content of one-half as a qualification for preference.

Norway

WHEAT FLOUR REGULATIONS

Mr. Richard Grew, Canadian Trade Commissioner at Oslo, writes that according to a new regulation which became effective September 28, 1938, wheat flour which contains an admixture of ammonium persulphate or other persulphates or preparations containing such substances cannot be distributed or sold in Norway. This regulation applies to both domestic and foreign wheat flour.

Finland

WHEAT AND FLOUR MIXING REGULATIONS

With reference to the report in *Commercial Intelligence Journal* No. 1810 (October 8, 1938), page 658, regarding a new Finnish grain law providing for compulsory mixing of domestic grains and flour with imported products in the ratio of two parts domestic to one part imported, Mr. Richard Grew, Canadian Trade Commissioner, advises that, effective October 1, 1938, the grain law provides for fixing the milling percentage for domestic wheat and mixing percentage for domestic wheat flour at 80 per cent until further notice.

Mexico

IMPORT DUTIES REDUCED

Mr. R. T. Young, Canadian Trade Commissioner at Mexico City, writes that by a Mexican decree of August 26 the tariff rates on a large number of articles were reduced from the level established on May 1 to the rates in force before January 21, 1938 (see *Commercial Intelligence Journal* No. 1775: February 5, 1938, page 184). The reductions run from 15 to 50 per cent, and affect about 180 separate tariff items.

Among the articles to which the new rates apply are: tanned and untanned hides and skins, barley, timber, natural gas, lubricants, tiles, glass, manufactures of copper, iron and steel, wire, pipes, nails, metal containers, furniture, refrigerators, lamps, electric wire and cable, waxed cotton cloth, rayon cloth, velvets, acetylsalicylic acid, potassium and soda carbonates, nitrates, medicines, drugs, colours and varnishes, wines and liquors, casein and casein articles, buttons, cinema and photo films, articles of celluloid, rubber and gelatine, paper, felt hats, machinery, electric batteries, cranes, sewing machines, mills, wireless apparatus, typewriters, stoves, ovens, cameras, rubber and textile belting, spools and bobbins for the textile trade, machetes, spades, shovels, metal parts, meters, scientific instruments, gramophones, firearms, munitions, watches.

Information regarding the new rates of duty may be obtained from the Department of Trade and Commerce.

Siam

WEIGHTS ON INVOICES

With reference to the notice in *Commercial Intelligence Journal* No. 1803 (August 20, 1938), page 314, concerning invoicing to Siam, Mr. B. C. Butler, Canadian Trade Commissioner at Singapore, advises under date September 27 that no rule has been prescribed with respect to the weight to be shown on invoices. In entering their goods, however, merchants are required to declare the net weight. In practice, this means that the ordinary commercial invoice should show the net weight of each case of goods, i.e. when each case contains one kind of article only. If different kinds of articles are packed together in one case, the weight of each kind of article should also be given.

FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING OCT. 17, 1938

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, October 17, 1938, and for the week ending Tuesday, October 11, 1938, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending Oct. 11	Nominal Quotations in Montreal Week ending Oct. 17	Official Bank Rate
Austria	Schilling	.1407	.....	.....	—
Belgium	Belga	.1001	\$.1706	\$.1716	3
Bulgaria	Lev	.0072	.0124	.0125	6
Czechoslovakia	Koruna	.0296	.0347	.0349	3
Denmark	Krone	.2680	.2144	.2149	4
Finland	Markka	.0252	.0212	.0212	4
France	Franc	.0392	.0268	.0269	3
Germany	Reichsmark	.2382	.4038	.4065	4
Great Britain	Pound	4.8666	4.8027	4.8143	2
Greece	Drachma	.0130	.0088	.0088	6
Holland	Guilder	.4020	.5478	.5523	2
Hungary	Pengo	.1749	.2991	.3009	4
	Unofficial		.1981	.1993	—
Italy	Lira	.0526	.0530	.0533	4½
Yugoslavia	Dinar	.0176	.0229	.0231	5
Norway	Krone	.2680	.2413	.2419	1½
Poland	Zloty	.1122	.1904	.1908	4½
Portugal	Escudo	.0442	.0435	.0436	4-4½
Roumania	Leu	.0060	.0074	.0074	3½
Spain	Peseta	.1930	.0512	.0516	5
Sweden	Krona	.2680	.2473	.2480	2½
Switzerland	Franc	.1930	.2291	.2300	1½
United States	Dollar	1.0000	1.0087	1.0150	1
Mexico	Peso	.4985	.1974	.1998	3
Cuba	Peso	1.0000	1.0080	1.0140	—
Guadeloupe	Franc	.0392	.0268	.0269	—
Jamaica	Pound	4.8666	4.8127	4.8245	—
Martinique	Franc	.0392	.0268	.0269	—
Other British West Indies	Dollar	1.0138	1.0006	1.0030	—
Argentina	Peso (Paper)	.4245	.3203	.3210	3½
	Unofficial		.2547	.2543	—
Brazil	Milreis (Paper)	.1193	.0590	.0594	—
British Guiana	Dollar	1.0138	1.0006	1.0030	—
Chile	Peso	.1217	.0523	.0526	3-4
	Unofficial		.0404	.0406	—
Colombia	Peso	.9733	.5748	.5792	4
Peru	Sol	.2800	.2018	.2030	6
Venezuela	Bolivar	.1930	.3127	.3147	—
Uruguay	Peso	1.0342	.6318	.6330	—
South Africa	Pound	4.8666	4.7967	4.8084	3½
Egypt	Pound (100 Piastres)	4.9431	4.9227	4.9329	—
China (Shanghai)	Dollar	.....	.1641	.1596	—
Hongkong	Dollar	.....	.3001	.2979	—
India	Ruppee	.3650	.3588	.3599	3
Japan	Yen	.4985	.2797	.2807	3.29
Java	Guilder	.4020	.5480	.5524	—
Siam	Baht (Tical)	.4424	.4398	.4415	—
Straits Settlements	Dollar	.5678	.5584	.5605	—
Australia	Pound	4.8666	3.8421	3.8515	3
New Zealand	Pound	4.8666	3.8731	3.8826	2

The Dominion Bureau of Statistics has supplied the following note:—

Sterling and the French franc, after falling to new low levels on October 13, rallied sharply to close the week ended October 17 at points only slightly under those obtaining at the end of the previous week. After opening at \$4.8207 on October 11, the pound dipped to \$4.7840 on October 13 and then recovered to close at \$4.8143 on October 17. Movements of the French franc closely paralleled those for sterling. The rally in both the pound and French franc was partly credited to reports of possible further devaluation of the United States dollar. Other continental currencies, notably the Belgian belga and the Dutch florin, resisted the mid-week recession in sterling and moved moderately higher. Premiums on United States dollars rose steadily from an opening of $\frac{7}{8}$ of 1 per cent to $1\frac{1}{2}$ per cent on October 17.

TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

Secretary, Board of Trade—

Saint John, N.B.

Halifax, N.S.

Quebec, P.Q.

Montreal, P.Q.

Toronto, Ont.

Chatham, Ont.

Kitchener, Ont.

Brantford, Ont.

Stratford, Ont.

Woodstock, Ont.

St. Mary's, Ont.

Portage la Prairie, Man.

St. Boniface, Man.

Winnipeg, Man.

Vancouver, B.C.

New Westminster, B.C.

Secretary, Chamber of Commerce—

Sherbrooke, P.Q.

Kingston, Ont.

Oshawa, Ont.

Belleville, Ont.

Peterborough, Ont.

London, Ont.

St. Catharines, Ont.

Hamilton, Ont.

Victoria, B.C.

Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.—

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

Secretary, Canadian Manufacturers Association—

Secretary Canadian Manufacturers Association—

Toronto, Ont.

Montreal, P.Q.

Winnipeg, Man.

Edmonton, Alta.

Vancouver, B.C.

Victoria, B.C.

Director, Trade Extension, Victoria, B.C.

Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.

Commodity	No.	Location of Inquirer	Purchase or Agency
Foodstuffs—			
Bacon.....	522	Glasgow, Scotland.....	Purchase.
Milk Powder.....	523	Bombay, India.....	Purchase and Agency.
Cheese.....	524	Glasgow, Scotland.....	Purchase.
Salmon (Canned).....	525	Glasgow, Scotland.....	Purchase.
Turnips.....	526	Cincinnati, Ohio, U.S.A....	Commission broker.
Dried Onions.....	527	Cincinnati, Ohio, U.S.A....	Commission broker.
Fruits (Canned).....	528	Glasgow, Scotland.....	Purchase.
Miscellaneous—			
Rubber Products.....	529	Melbourne, Australia.....	Purchase and Agency.
Portable Sawmill.....	530	Loewoek, Celebes Islands, N.E.I.....	Purchase.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Montreal

To Liverpool.—Duchess of Bedford, Oct. 28 and Nov. 25; Duchess of Richmond, Nov. 4; Duchess of York, Nov. 11; Duchess of Atholl, Nov. 18—all Canadian Pacific; Andania, Nov. 4; Antonia, Nov. 18—both Cunard-White Star Line; Glitrefjell, Oct. 29; Svanefjell, Nov. 19—both Fjell Line.

To London.—Beaverbrae, Oct. 28; Beaverhill, Nov. 4; Beaverburn, Nov. 11; Beavercdale, Nov. 18; Beaverford, Nov. 25—all Canadian Pacific; Ausonia, Oct. 28; Alaunia, Nov. 4; Aurania, Nov. 11; Ascania, Nov. 18—all Cunard-White Star Line; Tindefjell, Nov. 2; Ravnefjell, Nov. 16—both Fjell Line.

To Manchester.—Manchester City, Oct. 27; Manchester Regiment, Nov. 3; Manchester Port, Nov. 10; Manchester Commerce, Nov. 17; Manchester Progress, Nov. 24; Manchester

Citizen, Nov. 28—all Manchester Line; Glitrefjell, Oct. 29; Svane fjell, Nov. 19—both Fjell Line.

To Southampton.—Montrose, Oct. 29; Duchess of Richmond, Nov. 24—both Canadian Pacific.

To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.—Boston City, Nov. 4; Bristol City, Nov. 23—both Bristol City and Dominion Lines; Norwegian, Oct. 26; Dorelian, Nov. 12—both Cunard-Donaldson and Dominion Lines.

To Glasgow.—Letitia, Oct. 28; Sulairia, Nov. 4; Athenia, Nov. 11; Delilian, Nov. 18—all Donaldson-Atlantic Line.

To Newcastle and Leith.—Cairnesk, Nov. 2; Cairnmona, Nov. 9; Cairnross (also calls at Dundee), Nov. 16; Cairnvalona, Nov. 23; Cairnglen, Nov. 30—all Cairn-Thomson Line.

To Aberdeen and Hull.—Bassano, Oct. 28; Kelso, Nov. 10—both Ellerman's Wilson Line.

To Dublin and Belfast.—Torr Head, Oct. 23; Kenbane Head, Nov. 6; Fanad Head, (does not call at Dublin), Nov. 17; Melmore Head, Nov. 21—all Head Line (cargo accepted for Cork and Londonderry).

To Hamburg and Bremen.—Beaverbrae, Oct. 28; Beaverford, Nov. 25—both Canadian Pacific (do not call at Bremen); Bochum, Hamburg-American Line, Nov. 18.

To Norwegian Ports.—Glitrefjell, Oct. 29; Svane fjell, Nov. 19—both Fjell Line; Idefjord, Oct. 29; Randsfjord, Nov. 5—both Norwegian-American Line.

To Antwerp and Havre.—Montrose, Oct. 29; Beaverdale, Nov. 18—both Canadian Pacific (do not call at Havre); Hada County (does not call at Havre), Nov. 2; Brant County, Nov. 13—both County Line; Tindfjell, Nov. 2; Ravnefjell, Nov. 16—both Fjell Line (do not call at Havre).

To Rotterdam.—Lista, Nov. 6; Grey County, Nov. 23—both County Line; Tindfjell, Nov. 2; Ravnefjell, Nov. 16—both Fjell Line.

To Marseilles, Genoa, Leghorn, Naples, Messina, Palermo, Gibraltar and Lisbon.—Capo Olmo, Nov. 5; Capo Noli, Nov. 24—both Capo Line (will also call at Cadiz and/or Seville and/or Casablanca if sufficient cargo offers).

To St. John's, Nfld.—Imogene (calls at St. John's only), Nov. 2 and 18; Bencas (also calls at Harbour Grace, Bay Roberts, Carbonear, and Port Union), Nov. 10 or 11; Anna (also calls at Bay Roberts, Harbour Grace, Carbonear and Port Union), Nov. 22—all Shaw Line (will call at other Newfoundland ports as cargo offerings warrant); Belle Isle, Newfoundland-Canada SS. Ltd., Nov. 4 and 18 (also calls at St. Pierre-Miquelon).

To Cornerbrook, Nfld.—New Northland, Oct. 24 and Nov. 8; Gaspesia, Nov. 2 and 16—both Clarke SS. Co.

To Puerto Rico, Barbados, Trinidad and Demerara.—Chomedy, Oct. 27; Colborne, Nov. 10; Cornwallis, Nov. 24—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offers).

To Hamilton, Nassau, Kingston and Belize.—Lady Rodney, Oct. 26; Cavelier (calls at Kingston only), Nov. 4; Lady Somers, Nov. 9; Cathcart (calls at Kingston only), Nov. 18—all Canadian National.

To Bermuda, St. Kitts, Antigua, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—A steamer, Ocean Dominion SS. Corp., Nov. 5 (calls at Guadeloupe and Martinique if sufficient cargo offered).

To Santos and Buenos Aires.—Hektor, Oct. 27; a steamer, Nov. 9—both International Freighting Corp. (will call at Rio de Janeiro if sufficient cargo offered).

To Brisbane, Sydney, Melbourne and Adelaide.—City of Delhi, Oct. 30; Port Montreal, Nov. 25—both Montreal Australia New Zealand Line (will also call at Geelong).

To Auckland, Wellington, Lyttelton and Dunedin.—Port Saint John, Montreal Australia New Zealand Line, Nov. 21.

To Cape Town, Port Elizabeth, East London and Durban.—Cochrane (also calls at Freetown, Lourenco Marques and Beira), Nov. 1; Biafra, Nov. 15; Calgary (also calls at Freetown, Lourenco Marques and Beira), Nov. 25—all Elder Dempster Lines Ltd.

To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Madras, Rangoon, Calcutta and Singapore.—City of Hereford, Oct. 29; a steamer, Nov. 15—both Canada-India Service.

To Straits Settlements and Dutch East Indies Ports.—Weltevreden, Blue Funnel Line, Nov. 10.

From Quebec

To Southampton.—Empress of Britain, Canadian Pacific, Nov. 5.

From Halifax

To Liverpool.—Newfoundland, Oct. 25; Nova Scotia, Nov. 12—both Furness Line; Manchester Brigade, Manchester Line, Oct. 31.

To London and Rotterdam.—Edam, Oct. 24; Binnendijk, Nov. 2; Tiradentes, Nov. 13—all Holland-America Line.

To Manchester.—Manchester Citizen, Oct. 23; Manchester City, Oct. 30; Manchester Regiment, Nov. 6—all Manchester Line.

To Newcastle.—Cairnesk, Cairn-Thomson Line, Nov. 5.

To Cardiff and Bristol.—Toronto City, Bristol City and Dominion Lines, Nov. 2.

To St. John's, Nfld.—Fort Townshend, Oct. 24 and Nov. 7; Fort Amherst, Oct. 31—both Furness-Red Cross Line (also call at St. Pierre); Newfoundland, Oct. 25; Nova Scotia, Nov. 12—both Furness Line; Portia, Newfoundland Ry. and SS. Co., Oct. 26 and Nov. 9; Magnhild (also calls at St. Pierre and Newfoundland outports), Newfoundland-Canada SS. Ltd., Oct. 31 and Nov. 14.

To Kingston, Jamaica.—Cathcart, Oct. 24; Cavelier, Nov. 7—both Canadian National.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Hawkins, Nov. 3; Lady Drake, Nov. 17—both Canadian National; Heroy, Oct. 27; a steamer, November—both Ocean Dominion SS. Corp. (call at Guadeloupe and Martinique if sufficient cargo offered but not at Nevis or Montserrat).

To Puerto Rico, Barbados, Trinidad and Demerara.—Chomedy, Oct. 31; Colborne, Nov. 14—both Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To Santiago (Cuba) and Kingston (Jamaica).—A steamer, Pickford & Black Ltd., Nov. 2 (also calls at Jamaican outports as cargo offers).

To Far East Ports.—Silveryew, Silver Line, Nov. 3.

From Saint John

To Liverpool.—Manchester Brigade, Manchester Line, Oct. 31.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Hawkins, Oct. 26; Lady Drake, Nov. 9; Lady Nelson, Nov. 23—all Canadian National.

To Kingston and Jamaican Outports.—Crawford Ellis, United Fruit Co., Nov. 4 and 18 (cargo accepted for Caribbean, Central and South American ports with transshipment at Kingston).

From Vancouver

To Yokohama, Kobe and Osaka.—Heian Maru, Oct. 29; Hikawa Maru, Nov. 19; Hie Maru, Dec. 3—all Nippon Yusen Kaisha.

To Yokohama, Kobe, Shanghai, Hongkong and Manila.—Empress of Asia (calls at Nagasaki), Oct. 29; Empress of Canada (calls at Honolulu), Nov. 12; Empress of Russia (calls at Nagasaki), Nov. 26; Empress of Japan (calls at Honolulu), Dec. 10—all Canadian Pacific; Ixion, Nov. 3; Talthylbius, Dec. 3—both Blue Funnel Line (call at Miike but not at Manila).

To Shanghai.—Ernebank (also calls at Tsingtao), about Nov. 12; Queen Victoria, December—both North Pacific Shipping Co. Ltd.

To Honolulu, Suva, Auckland and Sydney.—Niagara, Oct. 26; Aorangi, Nov. 23—both Canadian-Australasian Line.

To Manila, Iloilo, Cebu, Soerabaya, Samarang, Batavia, Colombo and Bombay.—Silverlaurel (calls at Belawan Deli, will also call at Singapore and Port Swettenham if cargo offers), Oct. 24; Hoegh Silverlight (calls at Saigon, Singapore and Persian Gulf ports, also at Port Swettenham and Belawan Deli if cargo offers), Nov. 1; Silverbeech (calls at Belawan Deli, also at Singapore, Port Swettenham and Penang if cargo offers), Nov. 25; Hoegh Silvercrest (calls at Saigon, Singapore and Persian Gulf ports, also at Port Swettenham, Belawan Deli and Penang if cargo offers), Dec. 1—all Silver-Java Pacific Line.

To Papeete, Auckland, Wellington, Melbourne and Sydney.—Limerick (also calls at Lyttelton), Nov. 1; Hauraki, Nov. 29—both Canadian-Australasian Line.

To Brisbane, Sydney, Melbourne and Adelaide.—Eknaeren, Nov. 23; a steamer, December—both Empire Shipping Co. Ltd.

To London, Liverpool and Rotterdam.—A steamer, North Pacific Coast Line, Oct. 29 (will call at Southampton if inducements offer).

To Antwerp, Hamburg and Bremen.—Weser, Nov. 1; Donau, Nov. 29; Este, Dec. 18—all North German Lloyd Line; Oakland, Nov. 21; Seattle, Dec. 11—both Hamburg-American Line.

To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.—Wisconsin, Oct. 24; Barfleur, Oct. 31; San Francisco, Nov. 1; Oregon, Nov. 14; San Antonio, Nov. 23—all Empire Shipping Co. Ltd.

To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.—Rialto, Nov. 6; Cellina, Dec. 4—both Empire Shipping Co. Ltd.

To Port of Spain (Trinidad) and Bridgetown (Barbados).—A steamer, Canadian Transport Co., November.

To Cape Town, Port Elizabeth, East London, Durban, Lowrenco Marques and Beira.—Modjokerto, Nov. 5; Silverpalm, Dec. 6—both Silver-Java Pacific Line (call at Beira and Calcutta, will also call at Colombo and Madras if sufficient cargo offers); Ousebridge, North Pacific Shipping Co. Ltd., about Nov. 18 (does not call at East London).

To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.—Leikanger, Oct. 27; Evanger, Nov. 28—both Empire Shipping Co. Ltd. (will call at West Coast ports if sufficient cargo offered).

COMMERCIAL INTELLIGENCE SERVICE

L. D. WILGRESS, *Director*

Argentina

J. A. STRONG, B. Mitre 430, Buenos Aires (1). (Territory includes Uruguay.) *Cable address, Canadian.*

Australia

Sydney: L. M. COSGRAVE. Address for letters—P.O. Box No. 3952V. Office—City Mutual Life Building, Hunter and Bligh Streets. (Territory includes the Australian Capital Territory, New South Wales, Queensland, Northern Territory and Dependencies.) *Cable address, Canadian.*

Melbourne: FREDERICK PALMER. Address for letters—Box 196C, G.P.O. Office—Safe Deposit Office Building. (Territory includes States of Victoria, South Australia, Western Australia, and Tasmania.) *Cable address, Canadian.*

Belgium

YVES LAMONTAGNE, Shell Building, 60 Ravenstein Street, Brussels. *Cable address, Canadian.*

Brazil

L. S. GLASS. Address for letters—Caixa Postal 2164, Rio de Janeiro. Office—Ed. Da. "A. Noite," Sala 802, Praca Maua. *Cable address, Canadian.*

British India

PAUL SYKES. Address for letters—P.O. Box 2003, Calcutta. Office—23 Esplanade Mansions, Government Place East, Calcutta. (Territory includes Burma and Ceylon.) *Cable address, Canadian.*

British Malaya

B. C. BUTLER, Union Building, Singapore, Straits Settlements. (Territory includes the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India.) *Cable address, Canadian.*

British West Indies

Trinidad: M. B. PALMER. Address for letters—P.O. Box 125, Port of Spain. Office—Barclay's Bank Building. (Territory includes Barbados, Windward and Leeward Islands, and British Guiana.) *Cable address, Canadian.*

Jamaica: F. W. FRASER, P.O. Box 225, Kingston. Office—Canadian Bank of Commerce Chambers. (Territory includes Haiti, the Bahamas, and British Honduras.) *Cable address, Canadian.*

China

H. A. SCOTT. Address for letters—P.O. Box 264, Shanghai. Office—Ewo Building, 27 The Bund, Shanghai. (Territory includes Central China and North China.) *Cable address, Canadian.*

Cuba

C. S. BISSETT. Address for letters—Apartado 1945, Havana. Office—Royal Bank of Canada Building, Calle Aguiar 75, Havana. (Territory includes Dominican Republic and Puerto Rico.) *Cable address, Canadian.*

Egypt

HENRI TURCOT. Address for letters—P.O. Box 1770, Cairo. Office—22 Shari Kasr el Nil, Cairo. (Territory includes the Sudan, Palestine, Cyprus, Iraq, Syria, Iran, Greece, Turkey, Bulgaria, and Roumania.) *Cable address, Canadian.*

France

HERCULE BARRÉ, Commercial Attaché, 3 rue Scribe, Paris (9). (Territory includes French Colonies in North Africa.) *Cable address, Cancomac.*

Germany

J. C. MACGILLIVRAY, Bendlerstrasse 38, Berlin, W.35. (Territory includes Czechoslovakia and Poland.) *Cable address, Cantracom.*

Hongkong

V. E. DUCLOS. Address for letters—P.O. Box 80, Hongkong. Office—Hongkong and Shanghai Bank Building, Hongkong. (Territory includes South China, the Philippines, and Indo-China.) *Cable address, Canadian.*

Ireland

JAMES CORMACK, 66 Upper O'Connell Street, Dublin, Ireland (*cable address, Canadian*); and 36 Victoria Square, Belfast, Northern Ireland.

CANADIAN GOVERNMENT TRADE COMMISSIONERS—*Con.*

Italy

A. B. MUDDIMAN. Via Manzoni Nr. 5, Milan (102). (Territory includes Spain, Portugal, Gibraltar, Malta, Albania, and Yugoslavia.) *Cable address, Canadian.*

Japan

Tokyo: C. M. CROFT. Commercial Secretary. Address for letters—P.O. Box 18, Akasaka Post Office, Tokyo. Office—Canadian Legation, 16 Omotecho, 3-chome, Akasakaku Tokyo. *Cable address, Canadian.*

Kobe: P. V. McLANE. Address for letters—P.O. Box 230, Kobe. Office—309 Crescent Building, 72 Kyomachi, Kobe. *Cable address, Canadian.*

Mexico

R. T. YOUNG. Address for letters—Apartado Num. 126-Bis, Mexico City. Office—Edificio Banco de Londres y Mexico, Num. 30, Mexico City. (Territory includes Guatemala, Honduras, and Salvador.) *Cable address, Canadian.*

Netherlands

J. A. LANGLEY, Coolsingel 111b, Rotterdam. (Territory includes Switzerland.) *Cable address, Canadian.*

New Zealand

W. F. BULL. Address for letters—P.O. Box 33, Auckland. Office—Yorkshire House, Shortland Street, Auckland. (Territory includes Fiji and Western Samoa.) *Cable address, Canadian.*

Norway

RICHARD GREW. Stortingsgaten 28, Oslo. (Territory includes Sweden, Denmark, and Finland.) *Cable address, Canadian.*

Panama

W. J. RIDDIFORD. Address for letters—P.O. Box 222, Panama City. Office—Royal Bank of Canada Building, Santa Ana Plaza, Panama City. (Territory includes the Canal Zone, Venezuela, Colombia, Nicaragua, and Costa Rica.) *Cable address, Canadian.*

Peru

M. J. VECHSLER. Address for letters—Casilla 1212, Lima. Office—Portal de Belén No. 166, Plaza San Martín, Lima. (Territory includes Bolivia, Ecuador, and Chile.) *Cable address, Canadian.*

South Africa

Cape Town: G. R. HEASMAN. Address for letters—P.O. Box 683. Office—Cleghorn & Harris Building, Adderley Street. (Territory includes Cape Province and Southwest Africa, Natal, Tanganyika, Kenya, Uganda, Mauritius, and Madagascar.) *Cable address, Cantracom.*

Johannesburg: J. L. MUTTER. Address for letters—P.O. Box 715. Office—Prudential Assurance Bldg., 92 Fox Street. (Territory includes Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland.) *Cable address, Cantracom.*

United Kingdom

London: FREDERIC HUDD. Chief Trade Commissioner in the United Kingdom, Canada House, Trafalgar Square, S.W.1. *Cable address, Sleighing, London.*

London: J. H. ENGLISH. Trade Commissioner, Canada House, Trafalgar Square, S.W.1. (Territory includes Home Counties, Southeastern Counties, and East Anglia.) *Cable address, Sleighing, London.*

London: W. B. GORNALL. Fruit Trade Commissioner, Aldine House, Bedford Street, Strand, W.C.2. *Cable address, Canfrucum.* (Territory—for fresh fruit only—includes United Kingdom, Norway, Denmark, Sweden, France, Holland, Belgium, and Germany.)

London: W. A. WILSON. Animal Products Trade Commissioner, Canada House, Trafalgar Square, S.W.1. *Cable address, Agrilson.*

Liverpool: ACTING TRADE COMMISSIONER, Martins Bank Building, Water Street. (Territory includes North of England, Lincolnshire, North Midlands, and North Wales.) *Cable address, Canadian.*

Bristol: E. L. MCCOLL. Northcliffe House, Colston Avenue. (Territory includes West of England, South Wales, and South Midlands.) *Cable address, Canadian.*

Glasgow: G. B. JOHNSON, 200 St. Vincent Street. (Territory covers Scotland.) *Cable address, Cantracom.*

United States

D. S. COLE, British Empire Building, Rockefeller Center, New York City. (Territory includes Bermuda.) *Cable address, Cantracom.*

Note.—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.

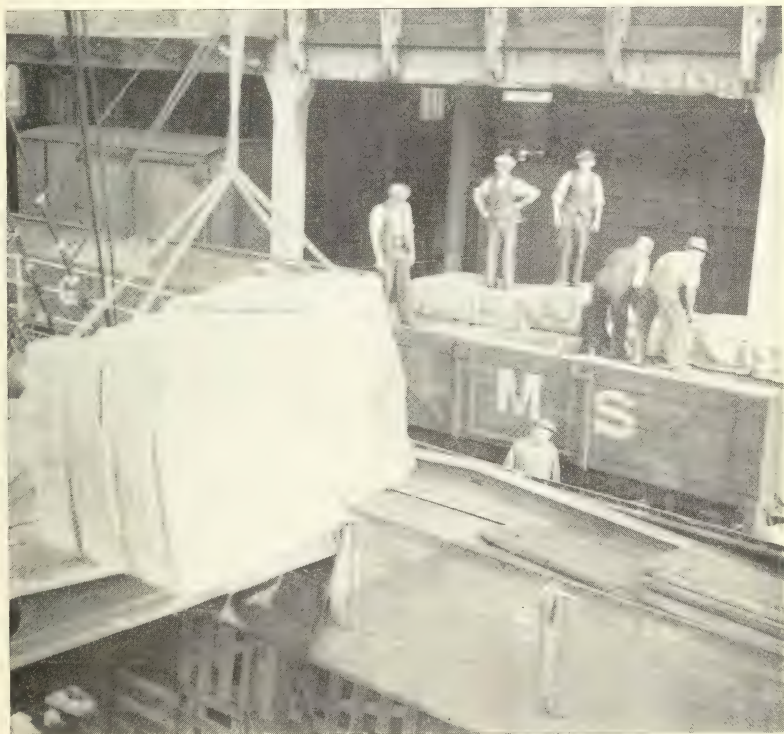
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COMMERCIAL INTELLIGENCE JOURNAL

Vol. LIX

Ottawa, October 29, 1938

No. 1813



Woodpulp from Canada being discharged at the Bristol City Docks

ISSUED BY AUTHORITY OF
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE
JAMES G. PARMELEE, DEPUTY MINISTER



CONTENTS

	Page
Empire "All Up" Air Mail Scheme	753
Australian Trade with Canada, 1937-38	754
United Kingdom Market for Canned Fruits and Vegetables:	
I. London Market	757
II. West of England and South Wales Market	762
Hay Crop and Market Conditions in the United Kingdom....	764
Industries of Bristol	766
Market for Meat Products in the British West Indies (Eastern Group) and British Guiana	767
Wheat and Flour Trade in Cyprus	771
Trade Commissioners on Tour	773
Import Trade of Sweden in 1937	774
Wheat and Flour Trade Regulation in Egypt	777
Imports into the United States of Products under the Quota Provisions of the Trade Agreement	780
Government Purchases in Brazil	781
Exchange Conditions in Colombia	783
Tariff Changes and Customs Regulations	784
Foreign Exchange Quotations	787
Trade Inquiries for Canadian Products	788
Proposed Sailings from Canadian Ports	788
Commercial Intelligence Service	791

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Vol. LIX

Ottawa, October 29, 1938

No. 1813

EMPIRE "ALL UP" AIR MAIL SCHEME

In view of numerous complaints received from Canadian Trade Commissioners in countries included under the Empire "All Up" Air Mail Scheme, effective February 23, 1938, that a considerable amount of first-class mail dispatched from Canada to these countries does not carry sufficient prepaid postage, the attention of Canadian firms is again directed to the provisions of this scheme.

All first-class mail (letters, postcards, and other articles prepaid at letter rate) posted in Canada for the following Empire countries is carried exclusively by air *beyond England* as the normal means of transmission:

Anglo-Egyptian Sudan.
Kenya Colony and Protectorate.
Uganda Protectorate.
Tanganyika Territory.
Mauritius.
Nyasaland Protectorate.
Northern Rhodesia.
Southern Rhodesia.
South Africa—
 Union of South Africa.
 Southwest Africa.
 Basutoland.
 Bechuanaland Protectorate.
Swaziland.
Zanzibar Protectorate.
Egypt.
Aden.

Palestine and Transjordan.
British India (including British Indian post offices on the Persian Gulf, in French India and in Tibet, but excluding Portuguese India).
Ceylon.
Seychelles.
Burma.
Malaya—
 Federated Malay States (Negri Sembilan, Pahang, Perak, Selangor).
 Unfederated Malay States (Johore, Kedah, Kelantan, Perlis, Trengganu, Brunei).
Straits Settlements.
North Borneo.
Sarawak.

Under the new arrangements the postage for the above countries is:

Letters, 6 cents per half-ounce or fraction thereof.

Postcards, 4 cents each.

Registered first-class mail is also forwarded by air.

Letters and postcards for those countries should not bear either air mail label or other marking indicating air transmission.

There has been no change in air mail rates to countries not mentioned in the above list.

Newspapers, magazines and printed matter, commercial papers, samples, and parcel post continue to be forwarded beyond England by surface transport at the current rates of postage for those classes of mail matter.

The ordinary letter rate of 3 cents for the first ounce and 2 cents for each additional ounce and of 2 cents for postcards to Great Britain and Ireland remains in effect.

AUSTRALIAN TRADE WITH CANADA, 1937-38

H. L. E. PRIESTMAN, ASSISTANT TRADE COMMISSIONER

Sydney, September 8, 1938.—Preliminary statistics covering the trade of Australia for the fiscal year ending June 30, 1938, have recently been made available by the Commonwealth Statistician. These figures show that the total imports into Australia from all countries during the year were valued at £stg.113,976,069 as compared with £stg.92,640,462 for the preceding fiscal year, an increase of £stg.31,335,607. On the other hand exports for the current year were valued at £stg.125,376,762 as against £stg.129,013,193, a decrease of £stg.3,734,431.

The increase in imports is an indication of the remarkable growth in the demand for raw materials to meet the requirements of expanding secondary industries, while the reduction in exports is principally accounted for by the falling off in values of wool, wheat and other primary products which comprise Australia's chief export commodities.

DISTRIBUTION OF EXPORTS

Following are the countries, imports from which in 1937-38 have shown greatest increases, with comparative values of total imports from each in the two fiscal years: United Kingdom, £stg.47,112,180 (£stg.38,560,403 in 1936-37); Canada, £stg.8,045,130 (£stg.6,071,813); Germany, £stg.4,170,624 (£stg.3,596,584); Japan, £stg.5,349,096 (£stg.4,004,465); Netherlands India, £stg.7,530,509 (£stg.6,176,385); and United States, £stg.17,759,175 (£stg.12,959,343).

It is difficult to make an adequate comparison between the preliminary figures for 1937-38 and the final figures for the preceding year with respect to Australian exports, since destinations of wheat shipped "for orders" would affect the preliminary statistics and it will be some time until the allocation of the amount outstanding as at June 30, 1938, will be available. The value of wheat shipped "for orders" as at that date was £A7,603,633. However, with this reservation the following table shows exports, based on preliminary figures, to principal countries in 1937-38, with comparative final figures for 1936-37:—

Australian Exports to Principal Countries

	1937-38 £A	1936-37 £A
United Kingdom	80,641,180	78,827,386
Canada	2,140,725	2,264,268
British Malaya	2,063,740	1,727,956
New Zealand	7,110,459	5,686,229
Belgium	5,711,642	9,423,821
France	10,408,590	7,932,789
Germany	4,391,347	4,239,026
Italy	1,881,429	5,331,528
Japan	5,900,098	9,705,738
United States	10,859,622	18,763,152

Total exports were valued at £A157,005,076 as compared with £A161,557,013 in the preceding year. With the exception of a slight increase in exports to the United Kingdom and fairly substantial increases in shipments to New Zealand and France, exports to principal countries showed marked decreases, particularly in the cases of Italy, Japan, and the United States.

AUSTRALIAN TRADE WITH CANADA

Total imports from Canada into Australia in the fiscal year 1937-38 were valued at £stg.8,045,136 (approximately \$40,225,680) and greatly exceed the total for any previous year in the history of the trade between the two countries.

The maintenance of this large volume is dependent to a degree on the industrial and economic situation in Australia. Present indications are that

lower prices for agricultural and pastoral products and minerals, which form Australia's principal exports, will not permit of as large a volume of trade in the ensuing year. However, there are undoubtedly commodities of Canadian origin which are essential to the Australian economy and for which the demand is unlikely to show any marked falling off unless Australian conditions deteriorate to a greater degree than is at present anticipated.

AUSTRALIAN EXPORTS TO CANADA

The value of Australian exports to Canada showed a small reduction to £A2,140,725 from £A2,264,268 in the preceding year. This occurred despite a substantial increase in exports of butter to 1,401,000 pounds (£A78,953) as compared with 11,200 pounds (£A620) in the preceding fiscal year.

The total of foodstuffs of animal origin, including butter, meats and sausage casings, was £A97,886 (£A15,332 in 1936-37). Foodstuffs of vegetable origin, including dried fruits, preserved fruits and cane sugar, showed little change at £A1,191,367 (£A1,181,954). Dried fruits included in this total (comprising raisins, sultanas, etc.) totalled 31,857,052 pounds (£A491,567) and show a substantial decrease from the preceding year when the figures were 39,330,138 pounds (£A577,443). Sugar exports to Canada were 62,269 tons (£A573,008) as compared with 63,715 tons (£A450,918). However, these exports show more diversification, and involve larger quantities of fresh fruits, fruit juices, and syrups, hops, and onions.

Exports of spirituous liquors to Canada were valued at £A41,189 (£A38,579). They consisted chiefly of brandy and wine.

A substantial falling off occurred in exports of animal substances, £A640,494 (£A846,102). Items principally responsible for the decrease were greasy wool, £A24,395 (£A105,620); scoured and washed wool, £A304,152 (£A323,966); wool tops, £A238,338 (£A303,482); cattle hides and skins, £A35,701 (£A68,100); gelatine and glue, £A33,054 (£A35,194).

Vegetable substances and fibres also declined in total value, £A30,505 (£A47,435). There is, however, included in this total rags and clippings valued at £A24,298, of which Canada has become a fairly substantial purchaser.

Exports to Canada of oils, fats, and waxes showed a slight increase, £A86,081 (£A83,195). The principal commodity is unrefined tallow and rough grease for the manufacture of soap.

Exports of machinery and metals from Australia to Canada, £A7,723 (£A8,648), comprise chiefly metal parts of agricultural implements in which there is reciprocal trade.

Rubber and leather manufactures, £A1,791 (£A1,599), consist principally of some types of sole leather and leather belting.

Exports of timber, £A17,024 (£A9,644), comprise principally undressed timber, £A6,846, and veneers, £A9,008, made from the figured Australian hardwoods.

Exports to Canada included under fancy goods, £A4,365, (£A3,279), comprise chiefly sporting materials, such as tennis racquets, typical Australian toys and novelties such as koala bears and kangaroos, precious stones such as opals, and Mulga wood ornaments, for which Canada appears to offer an expanding market.

Drugs, chemicals and fertilizers, £A11,674 (£A10,132), consist principally of eucalyptus oils and some fertilizers such as bone dust and other by-products of the meat-packing industry.

While considerable increases had been hoped for in such commodities as canned meats and other products enjoying substantial preference in Canada, as a result of the Canadian-Australian Trade Agreement, there were evidently other factors arising from keen competition from certain other countries

supplying the Canadian market which prevented an increase during the past fiscal year. Attention is nevertheless directed to the outstanding position which Australia holds as a supplier of dried fruits, while Canada continues to be the principal market for Australian wool tops, the manufacture of which is a comparatively recent development of Australian industry.

IMPORTS INTO AUSTRALIA FROM CANADA

Imports into Australia from Canada, valued at £stg.8,045,136, show an increase of £stg.1,973,317, or more than 32 per cent, over the total for the preceding year, £stg.6,071,813.

One of the classifications which showed a substantial reduction was foodstuffs of animal origin, including canned fish, the total falling to £stg.387,200 from £stg.419,000. This is principally accounted for by a marked falling off in shipments of canned salmon, due to the keen competition from Japanese sources of supply which became evident in the earlier months of 1938.

Imports of foodstuffs of vegetable origin, valued at £stg.12,713 (£stg.12,508), were practically the same as in the previous year. So many commodities are included under this heading, principally fruits, cereals, and grocery lines, that it is not possible to indicate with any degree of certainty which products have shown increases.

There was a small increase in imports from Canada of spirituous and alcoholic liquors, £stg.745 (£stg.528).

Animal substances, mainly unmanufactured, not foodstuffs, increased substantially in value to £stg.106,758 (£stg.70,315). The chief increase was in imports of furs, which are now being obtained from Canadian sources of supply in substantial quantities to meet current fashion demands.

Imports of vegetable substances and fibres showed a substantial increase, £stg.8,407 (£stg.5,543).

Shipments of apparel, textiles and manufactured fibres showed a marked increase, £stg.494,355 (£stg.312,306). The principal increases were in piece-goods with special characteristics, for which the demand has been greatly accelerated as a result of visits of the executives of Canadian manufacturers and the apparent ability and willingness of these manufacturers to fully meet Australian market requirements.

While Canada does not ordinarily supply a large volume of oils, fats, and waxes, an increase is noticeable in this classification, £stg.1,920 (£stg.719). This is attributed chiefly to imports of fish oils from Canada.

Imports of paints and varnishes, £stg.9,705 (£stg.8,651), also showed some increase.

In previous statistical returns information was not available respecting imports of stones and minerals, under which heading crude asbestos and abrasives (including sandpapers) from Canada would be included. The total for the period under review was £stg.74,001, and from other information available there appears to have been a marked increase in imports under this heading from Canada.

Metals, metal manufactures, and machinery showed a noteworthy increase, £stg.3,384,152 (£stg.2,407,247). This heading includes, among many others, motor vehicle chassis and parts, tools of trade, electrical appliances and machinery, typewriters, iron and steel wire and tubes, cash registers, and agricultural implements. Imports under practically every sub-heading have increased.

Imports of rubber and leather and manufactures thereof from Canada also show marked improvement, £stg.44,870 (£stg.28,850). The commodities included are numerous, but a large proportion of the increase is probably attributable to imports of elastic apparel, rubber and canvas belting and similar items for Australian secondary industries.

Imports of timber are second only in value to those of machinery, £stg.1,542,317 (£stg.845,292). Chief imports from Canada under this category are Douglas fir logs and undressed timber for the manufacture of boxes, but increasing quantities of other timber items as well as manufactured woodenware (including tool handles) are being received from Eastern Canada.

Under the heading "earthenware, cements, china, glass, etc.," imports from Canada showed a decrease, £stg.32,212 (£stg.45,790). However, contracts for delivery later in the year of electrical porcelain insulators and other commodities will probably result in a substantial increase.

Paper and stationery showed a fractional decline, £stg.1,482,911 (£stg.1,517,095). This is attributed to a falling-off in the quantity of newsprint importations, which were substantially greater from Canada during 1936-37 at 161,813 tons (£stg.1,406,162) than in any preceding year. Further development of the paper industry in Australia may result in some falling-off in imports of that item, but purchasing arrangements made for a term of years indicate that Canada will continue to obtain a substantial share of Australian imports of newsprint.

During each of the last six years there has been an increase in imports of jewellery, timepieces, and fancy goods from Canada, £stg.73,128 (£stg.67,760). The principal items are clocks and watches, but imports of other fancy goods are also showing consistent improvement.

A large increase is shown in optical, surgical and scientific instruments, £stg.137,238 (£stg.110,263). The chief items from Canada in this class are sensitized films, although the Dominion is supplying increasing quantities of cameras, as well as surgical and dental appliances and materials.

A substantial increase is also shown in imports of drugs, chemicals, and fertilizers, £stg.123,749 (£stg.101,784). The increase is attributed to larger shipments of certain chemicals for the manufacture of commodities used by Australian secondary industries, as well as to those of medicinal and toilet preparations.

Under the heading "miscellaneous" are included numerous other articles, values for which are too small for specific enumeration, and a substantial increase is shown in the returns for the fiscal year 1937-38, £stg.128,673 (£stg.82,018).

Under the heading of "live animals," £stg.75, is included a small shipment of swine introduced into Australia for the improvement of stock.

UNITED KINGDOM MARKET FOR CANNED FRUITS AND VEGETABLES

I. London Market

S. V. ALLEN, ASSISTANT TRADE COMMISSIONER

Conditions in the London canned goods market during the 1937-38 season were not as favourable as in the previous year. In sympathy with other commodity markets there was pronounced weakness during the last quarter of 1937. Although occasional seasonal changes for the better in some items have taken place since the turn of the year, recent developments have not been encouraging and the present outlook so far as prices are concerned is not hopeful.

Dealers in many lines of canned fruits and vegetables are over-stocked and it would appear that excess supplies of the basic items will only be liquidated with difficulty in the face of current low offerings, particularly on fruits, from California. Spot values at the end of 1937 were much higher than in 1936 but it is felt that, by the end of this year, a marking down of most canned products to their original level will have to be carried out. It should be noted,

however, that in spite of the adverse conditions prevailing in the import trade, the retail demand has continued on a fairly satisfactory basis, and although forward business has been limited in extent and buyers are still exercising caution, good spot business in several lines has materialized of late.

The import trade during the last seven months has been characterized by a general lack of interest in canned fruits from California and a moderately good demand for Australian fruits of all types. As usual, set prices for the latter were released towards the end of January. Although they were slightly higher than the previous year, except for canned pears, they compared favourably with prevailing prices for Californian. The bulk of the forward bookings on Australian fruits was done by the end of February, but sporadic offerings in subsequent months indicated that sales have not been as favourable as they were last year. Moreover, due to the recent collapse of the "Peach Pool" in California, and the resulting decline in prices for other fruits as well as peaches from that quarter, Australian canners have had to reduce their prices on peaches and pears to apply on arrivals here from August 1, 1938, in order to meet current Californian competition.

The 1937-38 season has witnessed an increase in consignments to London of practically all the varieties of Canadian canned fruits and vegetables regularly sold here. However, in view of the uncertainty prevailing in the London canned goods trade, and the intense competition in most staple lines, sales this year will probably have to be made at less remunerative prices than last season. There has been some improvement in demand for imported small fruits this year due to the failure of certain fruit crops in this country, but carry-overs from last year to date have prevented any appreciable firming in domestic prices for articles such as plums, cherries and berries of all types.

NOTES ON IMPORTANT COMMODITIES

In view of the cosmopolitan nature of London's population, its extensive hotel and restaurant trade, and its widely established connections with provincial centres, this port offers a more varied as well as a larger outlet than other United Kingdom ports for the importation of canned goods from Canada. Notes are given below on London market conditions for the most important varieties of fruits and vegetables canned in Canada or exported from Canada to this port. These include, in the case of fruit, apples, peaches, pears, cherries, plums, loganberries, strawberries, raspberries, grapefruit, fruit salad, fruit cocktail, as well as blueberries (in which some interest has been shown this year); and in the case of vegetables, tomatoes, tomato juice, pork and beans, peas, corn and asparagus. Prices, unless otherwise indicated, were in effect during the latter part of August.

CANNED FRUITS

Apples.—Solid pack apples in gallon containers are an item of importance to Canadian canners selling in this market and the increasing trade of recent years appears to have been well maintained during the past season. While limited quantities of choice grade apples from British Columbia, Ontario and Nova Scotia find an outlet here, Canadian shipments are comprised largely of Standard grade gallon pack, which is now firmly established and finds favour with the hotel, restaurant and baking trades for baking purposes. Competition is mainly from the Pacific Coast of the United States, whence both sweetened and plain packs originate. Sales of the former type are only of limited extent. In recent years, English canners have shared in this trade and have been able to offer an excellent quality pack of apples. Due to the anticipated short apple crop and the consequent high prices for the raw product, competition from this source will be limited this year. London receipts of

gallon apples up to the end of June of the current year showed an increase of over fifty per cent over the corresponding six months of 1937.

Canadian Standard grades of the new pack at present are being offered forward at 16s. per dozen 10's c.i.f. London, for October-November shipment in wooden cases. This compares with a price of 15s. 6d. quoted last year at this time. Sales of this year's pack so far have been encouraging. An allowance of 3d. per dozen is being offered for fibre containers. Ruling forward quotations on Oregon plain solid pack apples are 14s. 6d. per dozen c.i.f., which is about 1s. per dozen less than last year's price. Old pack Choice gallon apples from the United States are reported to be available for prompt shipment at as low as 14s. per dozen c.i.f. No quotations for English-packed Bramley Seedlings have yet been received by the London trade and none are anticipated.

Canadian packers may expect a satisfactory demand for their product this year, provided it is cheaper on a landed basis than competing United States packs; and, provided a good Standard grade continues to be offered, further expansion of Canadian trade in this item should take place. Although the spot demand at the moment is relatively good, the reported carry-over in Canada may later tend to influence prices for future shipment.

Peaches.—In relation to the total requirements of the London market for peaches the Canadian article is of relatively minor importance. Slow but favourable progress is being made by Canadian exporters here, due to an increasing demand for Canadian peaches from that section of the public who are prepared to pay slightly more for a distinctly better flavoured fruit. From the trader's point of view, however, Canadian sales for some time will be limited in extent, due to the marked influence of price and appearance on the average consumer, who has long been accustomed to the bright coloured product in clear syrup usually shipped to this country by Californian and Australian packers.

One feature of the import trade in peaches during the past year has been the progress made by Australian canners to the detriment of United States shippers. Opening c.i.f. prices for Australian peaches, issued in January of this year and applying to minimum orders of 1,000 cases with a deferred discount of 5 per cent on orders of 5,000 cases and over, were as follows: Choice 2½'s, 7s. 3d.; Standard 2½'s, 6s. 9d.; Second 2½'s, 6s. 3d.; Choice 1's, 4s. 9d.; Standard 1's, 4s. 6d. Towards the end of August reductions of 9d. per dozen for 2½'s and sliced peaches, and 5d. per dozen on 1's were announced to permit Australian arrivals to compete with the low Californian prices resulting from the recent break in the peach market, coinciding with the abandonment of the "Peach Pool" in California. Current Californian c.i.f. prices for peaches in heavy syrup are: Choice 2½'s, 5s. 5d.; Standard 2½'s, 5s. 1½d.; Second 2½'s, 4s. 9d. to 5s.; Choice 1's, 3s. 3d.; Second 1's, 3s. 1½d. Canadian c.i.f. offers at present are: Choice 2½'s, 6s. 8d.; Choice 1's, tall, 4s.; Standard 1's, 3s. 10d.

Pears.—Canned pears are another product in which Australian packers maintained and improved their position against United States shippers during the past year. Canadian sales of pears also showed further expansion, but exports to the United Kingdom, as usual, were largely of the Kieffer variety, although limited quantities of Bartlett pears from Canada have also found favour with the London trade. Sales of the Kieffer are possible where price is an important consideration, although they are not generally as popular with the consuming public, which is used to the Californian and Australian Bartlett pear. The bulk of the Canadian Kieffers are sold as "dessert pears" in 8-ounce and 16-ounce cans and present offers in the latter sized container are around 3s. 9d. per dozen landed and sugar duty paid. Corresponding duty paid prices for Australian and Californian Seconds, with which they directly compete, are around 3s. 3d. to 3s. 6d. per dozen and in view of the present slow spot demand for pears, the Canadian price is slightly out of line.

Low quotations for better grades of pears also prevail and Australian 2½'s Choice are now being offered c.i.f. at 6s. 10½d. per dozen.

Cherries.—London provides a steady but limited outlet for both red pitted and artificially coloured but unpitted cherries from Canada. The former compete with high quality English packs, but the trade is of relatively limited extent and, due to price and appearance, sales do not appear to be increasing. Canada Choice quality 2's have been on offer recently at around 6s. 8d. per dozen c.i.f. Current delivered quotations for English red pitted cherries have been around 8s. 6d. per dozen. The bulk of the trade, however, is done in the cheap, artificially coloured cherries from Italy in a ten to fifteen per cent syrup. The popular sized cans are the 1¼ flats and 2½'s, which are now on offer at 4s. and 7s. 6d. per dozen c.i.f., respectively, for first quality. This year's Italian surplus for export is not believed to be large and Canadian canners might conceivably find a market for a similarly canned product at c.i.f. prices of around 7s. 9d. for 2½'s. The important consideration is that any colouring matter used should not run into the syrup.

Plums.—Under normal conditions canned plums are an item in which English canners have virtual command of the market and Canadian shipments last season were practically nil. This year's plum crop has been the worst for some time and as soon as stocks of last year's pack are exhausted, there may be some demand for imported supplies. However, prices for domestic plums have not yet risen appreciably, and present delivered London wholesale quotations for plums packed under the National Mark scheme are as follows: Victoria 2's, 5s. 9d. to 6s. 3d.; Greengage 2's, 7s. 6d.; Damson 2's, 6s. to 7s.; Red 2's, 5s. to 5s. 3d. Prices for 2½'s of these types are about 25 to 35 per cent higher per dozen.

Loganberries.—An improvement took place in Canada's trade in this item during the past year, although the bulk of the imported supplies of canned loganberries were, as usual, of United States, notably Oregon, origin. Due to an unsatisfactory loganberry crop in the United Kingdom, competition from domestic canners this year has not been as keen and prices of around 7s. 9d. to 8s. per dozen 2's delivered have been considerably out of line with current offerings from British Columbia and Oregon. The bulk of the business has been done in Oregon Choice 2's at around 5s. 3d. per dozen c.i.f. in fibre cartons. Due to anticipated short deliveries from that area, the recent outlook for Canadian Choice pack at around 6s. 3d. per dozen c.i.f. has been reasonably good. The latter price, however, is about 11d. per dozen less than was obtained a year ago.

Other Berries.—Small quantities of strawberries, raspberries and blueberries have been shipped to this market from time to time.

The 1937 pack of strawberries in the United Kingdom is believed to have reached such record levels that there has been no scarcity this season, despite the small 1938 pack. Prices are quite high, however, English 2's being now offered at between 9s. to 12s. per dozen.

Raspberries are in short supply, and present delivered prices for 2's range from 8s. 6d. to 10s. 6d.

Some attempts have been made to introduce and popularize blueberries packed in retail containers. Although the very limited volume of trade is believed to be increasing, the outlook for any extensive demand is not hopeful. Blueberries are practically unknown for home use, and distributors are inclined to compare them with black currants and are disappointed when they exhibit a different flavour.

Other Canned Fruits.—Products such as canned grapefruit, fruit salad, and fruit cocktail of Canadian origin have occasionally found a limited sale here, particularly as supplementary items to an established range of produce. Florida packers obtain the bulk of the trade in grapefruit and large deliveries

were made to this market in 1937. Spot duty paid prices at present are 5s. per dozen for Choice 2's.

Fruit salad packed by English canners from imported canned fruits meets a large part of the requirements of the market for such combinations, but United States shippers still have a large share of this trade. Choice quality salad from California is now being offered at 7s. 10d. per dozen 2½'s c.i.f. Fruit Cocktail is quoted at about the same level.

CANNED VEGETABLES

Tomatoes.—Canadian exporters of canned tomatoes greatly increased their sales in this market in 1937, and United Kingdom receipts from Canada so far this year have been maintained. Italian shipments have been on the same level as last year, but no recent arrivals of Spanish tomatoes have been reported. In spite of the fact that the Italian tomato acreage has been reduced this year and that the available export surplus of the canned product from that country is expected to be small, keener prices than last season have been quoted in the London market. Wholesalers here are reported to be heavily stocked and at the moment there is very little interest in Italian offers of 4s. 1½d. to 4s. 6d. per dozen c.i.f. for Naples 3's, and 3s. 11d. to 4s. 1½d. for Sicilians 3's. Canners in Italy are believed to have considerable quantities yet for disposal and further reduced offers may result before the end of the year. Spot stocks of Canadian tomatoes are said to be plentiful and conceivably the market may drop below its present level of 3s. 6d. to 3s. 10½d. per dozen c.i.f. for Choice 2½'s. At this time last year Canadian Choice grade tomatoes were on offer at 4s. 2½d. to 4s. 4d. per dozen as compared with 4s. 6d. to 4s. 10d. for Italian 3's.

There is expected to be considerable interest this year when the new Jan Ru Canadian tomatoes are shown to the trade. Present price indications for these are about 4s. per dozen, which is 3d. to 6d. per dozen higher than is quoted for the Choice grade "corrugated" tomatoes. The results of the first real commercial shipments of this variety will be watched with a great deal of interest, since a nearer approach to the standard set by the Italian packers will help to dissipate the prejudice which still exists in certain quarters against the less solid pack Canadian product. Meanwhile shippers of the John Baer (corrugated) varieties should, as far as possible, confine their sales in this market to Choice grade.

Beans with Pork.—The bulk of the London trade in canned pork and beans is done by one large English canner and, as the result of increasing domestic competition, importations have declined perceptibly. There is still some importation of United States packs, for which prices of 2s. 6d. to 2s. 9d. per dozen 16-ounce tins, duty paid, ex-wharf London, are obtained. Receipts from Canada last year, despite the 20 per cent tariff advantage, fell off considerably. Current London delivered prices for domestically canned pork and beans range from 3s. to 3s. 9d. per dozen 16-ounce tins delivered. Canadian quotations c.i.f. London, to be of interest, would have to approximate 2s. 3d. per dozen.

Tomato Juice.—Canned tomato juice is finding an increased outlet in London. The bulk of the sales at the present time is handled through the local sales organizations of Canadian and United States exporters. Consumer sales are supported by extensive advertising of branded lines and the 16-ounce can is the most popular seller. With increasing recognition by the public of the food value of tomato juice and continued improvement in domestic refrigeration the consumption of canned tomato juice will doubtless increase.

Peas.—In recent years only a limited volume of business has been done in canned peas by Canadian exporters as United Kingdom canners usually offer keen competition. Earlier this year, when local crops of garden peas were ex-

pected to be short, some interest was again shown in Canada as a source of supply. Improved weather conditions have since resulted in an almost normal crop. In addition, the customary abundant supplies of reprocessed dried peas may be expected to be canned this year. The latter are available at delivered prices of about 2s. 9d. per dozen 2's in 10-case lots, as compared with quotations of 4s. 10d. for English canned fresh garden peas.

Corn.—Canned corn is becoming better known as an article for domestic consumption, but its use is still on a very small scale. Imports are mainly from the United States and are chiefly of the Golden Bantam variety in vacuum-packed whole kernel as well as cream style. Corn on the cob is not very well known but the limited demand is for vacuum-packed ears of uniform size. Canadian canners participate in this business to a limited extent.

Asparagus.—Asparagus has always been considered a "rich man's dish" in the United Kingdom, owing to its high price, and it is only within recent years that it has become at all popular in the canned form. The total consumption is still relatively small, but the trade appears to be growing. The bulk of the business is done by United States canners. Canada is supplying a small but increasing volume of the requirements.

The most popular pack of asparagus is the square 1-pound tin of green tips. Both the medium and larger size tips are favoured in tins containing 31 to 40 spears. All white asparagus is not generally used but finds some demand in the hotel trade. On the other hand, the all green appears to be gaining some headway, although reports indicate it is not yet as popular as the green tips. The Canadian asparagus imported is of the all green variety. Its flavour is well regarded but criticism is heard that it is often badly broken and presents a poor appearance.

The price of asparagus is largely established by the Californian packers. Current prices for 1938 for the 1-pound square size all green vary from \$2.93 per dozen c.i.f. for the colossal (13 to 20 spears per tin) to \$2.88 c.i.f. for the medium (41 to 60 count). The green tips are about 50 cents per dozen less.

There appears to be infinite prospects for the extension of this trade, especially in the all green variety, although its development may be slow. It is considered that Canadian all green would be improved by packing more spears to the tin, and especially if these could be better graded to a uniform size.

II. West of England and South Wales Market

L. H. AUSMAN, ASSISTANT TRADE COMMISSIONER, BRISTOL

Aside from the staple lines of tomatoes and gallon apples, the market in the West of England and South Wales for Canadian canned goods is relatively small. Peaches and pears enjoy a fair sale in competition with Californian and Australian packs, while there is a very small but steady demand for such vegetables as corn, peas, asparagus, small beets, tomato juice, pork and beans, infant foods, and a few others. Canadian soups, particularly tomato, find a ready sale both for the home and milk bar trades. Pitted red cherries, such as are packed by several Canadian firms, are very popular once they have been tried, but they are not widely known, due to lack of publicity on the part of the distributors. For many years there has been a good trade in gallon apples, and it is understood that some gallon plums have been sold this year as a result of poor crops of this fruit in England.

NOTES ON IMPORTANT COMMODITIES

The following paragraphs contain current c.i.f. or duty-paid prices to brokers, together with comments upon the market and nature of demand. The current prices quoted were those in effect in mid-August.

CANNED FRUITS

Apples.—Due to adverse reports regarding the English crop of apples used for canning, it is felt that a good trade may be developed during the coming season in Canadian gallon apples. Earlier this season these were sold as low as 14s. 6d. per dozen, c.i.f., or approximately 15s. 3d. landed. A fair business was done at this price, and quotations subsequently advanced to from 15s. 9d. to 16s. The American old pack was sold as low as 13s. c.i.f., which would be equal to 17s. 3d. duty paid and landed, ex wharf, London. Fair quantities were sold at this price, but it is understood that present spot offers are in the neighbourhood of 19s. to 20s., depending on the depot at which they are available—those inland being quoted at more than those ex wharf basic ports. California and Oregon new pack apples are being offered at about 14s. to 14s. 6d. c.i.f., or about 18s. 1½d. duty paid. It is understood that some Oregon packers are asking 14s. 6d. for prompt shipment, and 14s. 9½d. for October shipment. The American pack is generally considered to be superior to Eastern Canadian apples, and consequently commands a higher price.

Peaches.—There is a definite trade in the West of England for Canadian peaches, due to their superior flavour. Where they have been introduced there is a tendency for them to displace the Californian pack. Prices for Canadian Choice quality are unchanged from last year at 8s. 6d. per dozen 2½s landed and duty paid on the sugar content. Prices for Californian and Australian peaches are now in a very uncertain state. Australian are very much out of line with Californian with the result that comparatively little business is being done in them. Large crops in California this year, and consequent lower prices to growers, have enabled the packers to offer supplies at much lower figures than a year ago. Australian choice peaches in heavy syrup are quoted at 7s. 9½d. per dozen 2½s, less 5 per cent for lots of 5,000 cases or more. Standards are 7s., and second grade 6s. 9d., all duty-paid on the sugar content and landed. Californian offers for choice peaches are 6s. 9d., for standards 6s. 4½d., and for second grade 6s. per dozen, all prices duty-paid and landed.

Pears.—There is not a large sale for Canadian pears, the Bartlett variety being chiefly in demand. Current prices for both Australian and Californian standard grades are the same at about 7s. 4½d. per dozen 2½s duty paid and landed. Canadian Keiffers, standard grade, are being sold for the low-price shop trade at approximately 6s. landed, with duty paid on the sugar content.

CANNED VEGETABLES

Canned Tomatoes.—Prices of canned tomatoes fluctuate throughout the season, depending upon current conditions of supply and demand. Italian packs now seem to be offering freely. The Spanish situation is difficult to assess, although it is now anticipated that at least a small quantity of Spanish tomatoes will reach the West of England market. The size of the pack cannot yet be calculated, and in spite of Government control it is impossible to say under what circumstances exportation will take place. So far no prices have been quoted.

Italian No. 3 tins opened in May fairly cheaply at 4s. 3½d. with the obvious intention of securing the bulk of the market from Spain, should any be offered from that country. When it appeared likely that Spanish tomatoes would not be available at all, the price of Italian hardened to 4s. 6d. Recently, when more favourable news regarding packing conditions came from Spain, the price again fell sharply to its present level of 4s. 1½d. Duty and landing charges bring this price to approximately 4s. 9d. One-kilo tins, which are about the same size as Canadian 2½s, can be bought at 3s. 8d. to 3s. 9d. c.i.f., or from 4s. 3d. to 4s. 4d. landed and duty-paid. No. 1 tall tins, the consumption of which, it is estimated, accounts for about one-sixth of the total imports from Italy, are quoted at 2s. 3d. c.i.f. and ¼-kilo, or picnic size, are 1s. 3½d. c.i.f. These

prices are for the well-established and popular peeled plum tomatoes from Naples. Sicilian have been offered at slightly less than the figures quoted.

Canadian 2½ size tins were quoted at as high as 4s. 6d. early in the season, but little business was done at this figure and progressive reductions were made until the present level was reached. It is reported that certain packers are quoting 3s. 6d. per dozen, c.i.f., in fibre containers. This is roughly equivalent to 3s. 7½d. for wood. In spite of an attempt to stabilize the price at 4s., offers are being made freely at from 3s. 7d. to 3s. 9d. There is, of course, no duty on Canadian tomatoes and, so far as Bristol is concerned, the landed costs amount roughly to 1½d. per dozen. Canadian No. 1's tall, though offered in comparatively limited volume, are selling at from 2s. 4d. to 2s. 5½d., while the picnic size is 1s. 7½d.

Canadian tomatoes are now definitely established on this market and well liked, except for the fact that there are not enough solid and whole tomatoes in the tin. One importer has commented that, on the average, there were as many whole tomatoes in an 8-ounce Italian tin as in a 2½ size Canadian. This drawback may be overcome by the increased use of such varieties as the Jan Ru tomato in packing for the British market, although it cannot be expected that such a pack will obtain a much higher price than that at which Italian tomatoes are offered. It is possible, however, that other things being equal, they would secure at least some of the market now held by Italian peeled plum brands.

HAY CROP AND MARKET CONDITIONS IN THE UNITED KINGDOM

FREDERIC HUDD, CHIEF CANADIAN TRADE COMMISSIONER IN THE UNITED KINGDOM

London, October 14, 1938.—The preliminary report on this season's hay crop, which was published in *Commercial Intelligence Journal* No. 1801 (August 6, 1938), indicated a heavy reduction from the previous year's crop. While final crop statistics are not yet available, it is now expected that the estimate given then will be on the high side. The area sown to clover and rotation grasses for hay this season, according to recent information, is 1,185,000 acres, or about 285,000 acres less than last year, and the area in meadow hay is 4,225,000 acres or 450,000 acres less. With the greatly reduced yield per acre the harvest must be very much below average.

London and Southeastern England

H. L. BROWN, ASSISTANT TRADE COMMISSIONER, LONDON

The hay crop is short in some districts and fair in others, but over the area as a whole there is a short crop. Owing to the drought in the spring and the rains during hay-making it is probable that at least one-fifth of the crop was seriously damaged.

MARKET CONDITIONS

Although the heavy carry-over from last year's bumper crop helped to fill the gap, especially in the spring, importations have been necessary to round out supplies. Canada appears to have been able to supply without difficulty, and comment is heard in London that the Canadian hay "appears to be of much better quality than usual, having plenty of clover. . . ."

Norway is reported to have a very large crop of excellent quality. Norwegian hay is selling in London at a premium of about 5s. a ton over Canadian. Imports from Norway have commenced during the past few weeks since the hay has cured sufficiently for pressing. Contracts are being placed for monthly shipments until spring. These supplement and follow on Canadian supplies which, in the main, are not yet contracted beyond November.

Unless the winter should be exceptionally severe it is not expected that the volume of importations will change from the present steady trade in Canadian and Norwegian hay, nor that prices will change radically from the present range of £3 10s. to £4 per long ton c.i.f. London.

West of England, South Midlands, and South Wales

E. L. MCCOLL, CANADIAN TRADE COMMISSIONER, BRISTOL

Although conditions improved from August onward in this area, there will be no more than half the normal crop of hay. The average farmer will be able to avoid buying hay, however, by using wheat and oat straw, even though much of this is down in quality. Owing to plenty of moisture during the last two months there should be a better root crop than earlier expected, so that the requisite quantity of bulk feed can be provided by adding mangels, swedes, kale, etc.

On the whole, many farmers who believed in early August they would have to buy hay, now feel that they will be able to scrape through the winter without having to purchase off the farm. However, some are by no means free from this danger yet as the winter might be of such a nature as to prevent live stock staying in the open. The extra consumption of hay which would take place if the weather is bad would necessitate supplementing supplies from the town feed merchant.

The country has experienced the best cereal crop in years, partly as the result of an increase of over 200,000 acres put under wheat, barley, and oats. Barley is cheap, and a larger quantity of wheat than usual has to be graded too low for bread-making flour. This means that many hundreds of tons will be used as live stock feeds.

Some farmers who had turned their live stock during June and July into fields intended for hay earlier in the season have withdrawn their cattle and sheep from them as they expect now to secure a small after-crop sufficient to carry the needs of the farm over the winter. A quantity of this autumn crop will be silaged.

IMPORTED HAY

Dissatisfaction is expressed by some buyers at the difficulty in securing shipping space from Canada. Unable to obtain delivery for this reason, one buyer who had sold Canadian hay was forced to satisfy his customers with Norwegian, for which he paid 82s. a ton c.i.f. United Kingdom port for a grade said to be equivalent to No. 1 Canadian.

North of England

C. B. BIRKETT, ACTING TRADE COMMISSIONER, LIVERPOOL

There has been no material change from the forecast made some time ago of the domestic hay crop in the North. It is about two-thirds of the normal with the average quality rather low. This may not apply altogether to the northwest counties where, owing to late cutting, the quality and size of the crop are a little better than in other parts. The second crop of domestic hay is reported as favourable, but it is not expected to have much effect on the general position.

MARKET CONDITIONS

Between three and four thousand bales of Canadian hay have been arriving at Liverpool weekly. Trade at the moment is quiet. There has been some movement of domestic hay to make room for other field crops, but there are fair quantities of the 1937 crop still available.

While the demand for Canadian hay can be said to be favourable, whether or not it will improve during the coming season will depend largely on the weather. A factor in the situation is the increased acreage this year under oats and barley, which has provided an extra supply of barley and oat straw for feeding purposes.

Scotland

G. B. JOHNSON, CANADIAN TRADE COMMISSIONER, GLASGOW

During the early part of the hay-cutting season the crop sustained some damage as a result of wet weather, but for the most part the weather was good and, on the whole, the crop is of average quality. In quantity it may be 5 to 10 per cent less than average but any shortage is offset by the carry-over from last year's Scottish crop, which is still being offered.

It is felt that there will be ample supplies of Scottish hay for the next six months or more, and the demand for Canadian hay will therefore be limited to those users who prefer Canadian for its quality, and are willing to pay higher prices for it.

INDUSTRIES OF BRISTOL

L. H. AUSMAN, ASSISTANT TRADE COMMISSIONER

Bristol, September 29, 1938.—The Bristol Development Board, which is actively engaged in promoting the tourist and industrial growth of this city, has issued a new and enlarged edition of its "Directory of Bristol Industries." This publication contains a very extensive list of manufacturers and contractors located within and in the neighbourhood of the municipality.

To the average individual the name of Bristol is generally associated with cigarettes, chocolates and, of late, with airplanes. These industries employ a large proportion of the population of some 415,000. However, they do not by any means represent all of Bristol's industrial activity, since about three hundred distinct varieties of manufactures are produced, ranging from the light industries of tobacco, food, and clothing to the heavy engineering and chemical trades. This variety served the district in good stead during the depression, when single industry areas fared so badly.

TOBACCO

Tobacco has been one of Bristol's imports ever since the sixteenth century, when the city was playing a leading part in the colonization and development of the new-found American territories. To-day Bristol is the largest tobacco importing and manufacturing centre in the country. Over £30,000,000 a year is paid in customs duty on tobacco imported, and the great bonded warehouses, of which there are now thirteen, are conspicuous features around the docks.

FOOD AND BEVERAGES

There are several large chocolate concerns in the immediate vicinity of Bristol, including one which is world-famous. The flour, provender, and oil-cake milling industries in Bristol are of considerable importance and have been growing rapidly during the past few years. There are now ten mills operating at the Avonmouth docks and several others in the city, most of the latter being concerned chiefly with the production of patented self-raising flour. Among other important food industries are the manufacture of jams and marmalade, sauces and pickles, and the curing of bacon.

Bristol has several large and old-established breweries, and the fame of the sherry known as "Bristol Milk" testifies to the age and importance of Bristol as a wine port.

ENGINEERING

Twenty-five years have sufficed to place the manufacturing of airplanes and air engines in the front rank of Bristol's industries. There are, however, other branches of the trade which are of importance, such as ship and locomotive building, mechanical, electrical, and constructional engineering.

PRINTING AND PAPER MAKING

Bristol to-day lives up to an old saying which described the city as "abounding in churches, inns, and printers." Not only are the printers large in number, but they include one of the largest printing concerns in the world, with six factories in Bristol and branches elsewhere, including one in Canada. The principal tobacco manufacturing firm also has its printing branch in Bristol—one of the largest establishments of its kind in existence. The use of the term "Bristol board" to describe a special kind of cardboard is evidence of the importance of the paper-making industry of this area.

TIMBER AND LEATHER

Bristol is an important timber-importing centre and the wood-working trade is well established. Cabinetmakers, upholsterers, brush and mop manufacturers are among the users of the imported timber, substantial quantities of which come from Canada.

Tanning and leather dressing is another of Bristol's older industries. The Kingswood district in particular has long been an important centre for the manufacture of heavy boots, but is to-day engaged as well in producing the lighter types of boots and shoes.

OTHER INDUSTRIES

Other important industries in Bristol are concerned with the smelting of non-ferrous metals, the distribution of oil, and the manufacture of clothing, china and pottery, silverware, soap, paint and varnish, and such chemicals as tar, turpentine, sulphuric acid, spelter, alkalis and chemical manures.

FURTHER DEVELOPMENTS

As a result of arrangements recently made by the Bristol Development Board for the building of up-to-date factories for new or expanding industries, increased industrial activity is anticipated. A special feature of the co-operative policy adopted is embodied in an agreement of the contractors to erect plants either on their own specially developed sites or wherever the manufacturer prefers. This feature is expected to make the scheme much more flexible than is generally the case on a one-area trading estate. The scheme has been in operation only since the beginning of the year; but, due to the advantageous terms offered, many inquiries have already been received, a large proportion of them being from Bristol firms which have recognized the opportunity of developing in a way hitherto impossible owing to lack of ready capital.

MARKET FOR MEAT PRODUCTS IN THE BRITISH WEST INDIES (EASTERN GROUP) AND BRITISH GUIANA

G. A. NEWMAN, ASSISTANT TRADE COMMISSIONER

Port of Spain, October 7, 1938.—Pickled meat in barrels is the most important meat product imported into the British West Indies (Eastern Group) and British Guiana. It is purchased by the native population as a low-priced supplement to their fish diet. This trade has been carried on for many years, and its volume has shown no pronounced variation during the past decade. Higher priced meats, however, such as fresh frozen meat, smoked meat, and canned

meat, have been imported in steadily increasing quantities during the same period, with the result that pickled meats constituted a much lower percentage of the total meat trade in 1937 than, for example, in 1932, as shown by the following table:—

Imports into Trinidad, Barbados, and British Guiana

	1937	1932
Total, all kinds. lbs.	13,022,454	10,382,701
Pickled meats. per cent	61.4	76.5
Smoked meats. per cent	17.2	10.2
Frozen meats. per cent	13.0	9.9
Canned meats. per cent	8.3	3.2

The remaining markets in this territory—Leeward and Windward Islands—imported 685,622 pounds of meats of all kinds in 1936, of which 70.5 per cent was pickled, 17.6 per cent smoked, and 11.8 per cent canned meat.

Distribution of meat products according to volume among the three main markets of Trinidad, Barbados, and British Guiana was as follows in 1937 and 1936:—

Distribution of Imports

	Trinidad		Barbados		British Guiana	
	1937 Lbs.	1936 Lbs.	1937 Lbs.	1936 Lbs.	1937 Lbs.	1936 Lbs.
Meats—						
Pickled.	2,927,456	2,586,416	3,133,795	3,540,943	1,845,400	1,659,000
Smoked and cured ..	1,705,984	1,520,400	374,151	313,884	171,014	140,814
Frozen ¹	1,145,984	787,920	521,478	333,266	32,539	32,092
Canned.	585,312	501,536	440,813	341,234	138,528	108,616
Total.	6,364,736	5,396,272	4,470,237	4,529,327	2,187,481	1,940,522

¹ Including poultry.

PICKLED PORK

The trade in barrelled or pickled pork, which is the main meat product imported from Canada, has progressed steadily during recent years until Canada is now the main source of supply in competition with the United States and Argentina. The following table shows total values of pickled pork imports in the period 1935 to 1937 together with the development in imports from Canada:—

Imports of Pickled Pork

	Total	Trinidad	Total	Barbados	Total ²	British Guiana
		From Canada		From Canada		From Canada
1937	\$139,133	\$39,026	\$172,382	\$144,100	\$163,210	\$41,112
1936	120,265	25,253	181,713	96,081	137,787	35,898
1935	135,709	21,015	133,315	88,420	201,389	27,444

² Total includes pickled pork and beef but mostly pickled pork from Canada.

Pickled pork is purchased at a penny or twopence per piece by the native population and is used as a meat flavour for rice stews, which are a common article of diet in the West Indies. This use gives rise to two important points in the preparation of pickled pork for export: the cuttings must have sufficient lean and fat on them to give taste to the stew; and, secondly, they must be carefully pickled to withstand a long period of exposure to warm humid conditions while being retailed.

Fat back pork, riblets, snouts, tails, heads, and pork trimmings all find a market for the above purpose. Shipments are made in 200-pound (net weight) barrels, which are usually packed 205 to 208 pounds to a barrel to allow for shrinkage. A 4 per cent allowance (8 pounds) below the specified 200 pounds is recognized by the trade. The meat is expected to arrive in clean unfermented pickle, smell sweet, and have a fresh rosy appearance when taken from the barrel. Large salt crystals are usually found at the top and bottom of the barrel when it is first opened.

POINTS TO BE OBSERVED

The following points in regard to individual cuts should be observed:—

Tails.—Scalded tails only are in demand on the Trinidad market, while singed and scalded tails are saleable in British Guiana. The tails should be cut to allow for fat and neatly squared at the base.

Snouts.—Snouts with complete unsplit nostrils are preferred, and a certain amount of fat and meat should be allowed to remain on the inside.

Fat back pork should be packed 70 to 80 or 80 to 100 neatly trimmed squares to the barrel.

Riblets are usually supplied in oblong or triangular cuts of about 4 inches in length. They should be as free as possible of back bone.

Heads.—Whole pork heads, i.e. skulls with flesh covering, are saleable.

PRICES

Under date September 28, United States quotations on pickled pork products c.i.f. Trinidad were as follows: fat back pork, \$18 to \$18.50 for 70 to 80 pieces per barrel; tails, \$20.12½ to \$23.75; riblets, \$17.37½; snouts, \$20.62½ to \$22.75; and heads, \$22.

Heavy imports of low-priced pickled or navel beef from the Argentine limit the market for pickled pork. Navel beef is packed 50 to 52 pieces to the 200-pound barrel (net weight) and frequently contains about 25 per cent brisket. A recent price for Argentine navel beef was 64s. (\$15.36) per barrel c.i.f. Trinidad.

Another, though minor, limiting influence in Trinidad is the increased substitution for cooking purposes of cheap vegetable oil, manufactured locally, in place of grease obtained from fat pork.

DUTIES

The duties on pickled pork and beef on import into the three principal markets are as follows:—

	Trinidad Per 100 Lbs.	Barbados Per 100 Lbs.	British Guiana Per 200-Lb. Bbl.
British preferential	\$0.25	1s. 0d.	\$0.50
General	1.00	4s. 2d.	2.00
Surtax . . . . .	....	10% of duty	30% of duty

HAMS AND BACON

There has been a noteworthy increase in the imports of hams and bacon during the past decade. Imports into Trinidad expanded from 626,438 pounds in 1930 to 1,705,984 pounds in 1937. Listed according to value, total imports for 1937 (1936 values within parentheses), together with main sources of supply, were as follows: total, \$142,739 (\$103,333); Argentina, \$61,610 (\$39,239); United Kingdom, \$30,867 (\$27,919); Brazil, \$15,321 (\$15,202); United States, \$5,216 (\$9,120); Canada, \$2,549 (\$1,488); and other countries, \$27,176 (\$9,772).

In Barbados the same trend was evident, with total imports of hams and bacon increasing steadily each year from 200,646 pounds in 1930 to 374,151 pounds in 1937. Imports for 1937, with 1936 values within parentheses, were as follows: total, \$89,793 (\$75,331); Argentina, \$45,062 (\$30,139); United Kingdom, \$33,542 (\$25,852); United States, \$2,179 (\$3,729); Canada, \$888 (\$3,193); and other countries, \$8,228 (\$11,232).

The lack of classified import figures does not permit of an accurate estimate of the increase in imports into British Guiana, although the general import figures, including those for hams and bacon, record a moderate increase from 104,183 pounds in 1931 to 171,014 pounds in 1937. Imports for 1937, with 1936

values within parentheses, were as follows for meats, other than frozen, canned, or pickled meats: total, \$33,440 (\$28,528); Argentina, \$17,709 (\$7,184); United Kingdom, \$5,048 (\$5,045); Denmark, \$4,849 (\$5,069); United States, \$3,453 (\$4,347); Brazil, \$1,977 (\$5,516); and Canada, \$188 (\$1,276).

PRICES

Hams take the place of turkey in the British West Indies as a Christmas delicacy. Sales are most intensive in the few months preceding Christmas, although merchants report that consumption is increasing throughout the year. Certain brands of English ham are well established in these markets, but within the past three years Argentina has become the chief source of supply on account of the low price of its products.

Argentine hams in sealtite pack have sold in Trinidad recently at 23 cents per pound c.i.f., and Brazil picnic hams in Christmas wrapping at 13½ cents c.i.f. In British Guiana, Argentine hams in burlap wrapping have been selling at 19 cents per pound c.i.f., and picnic hams at 13 cents per pound in holly paper and 14 cents per pound in black gelatine. In Barbados, Argentine hams have been selling at from 14 to 14½ cents per pound duty paid, and English hams at \$28.50 per 100 pounds duty paid.

Hams are strongly cured for these tropical markets. They are shipped in a variety of packings. Sealtite tropical wrapping is regarded as the most satisfactory pack and, although one cent a pound dearer than burlap wrapping, is now supplanting the latter on the local market. With the sealtite method the ham is wrapped in gauze, coated with composition, and given an outer covering of cellophane or fancy paper.

Picnic hams are sold in 4- to 6-pound and 6- to 8-pound sizes, and hams in from 8- to 10-pound and 10- to 12-pound, with the 10- to 12-pound size in special demand for the Christmas trade. They are individually wrapped in the manner described and packed in 100-pound ventilated cases.

Bacon consumption is moderate in the British West Indies in comparison with that of ham. Imports come from the United Kingdom, the shipments including bacon from continental countries and also from the Argentine.

Streaked, boneless bacon in 4- to 6-pound and 6- to 8-pound slabs was recently purchased from the United Kingdom at 67s. 6d. (\$16.20) per cwt. c.i.f. It was shipped in cold storage in 1-cwt. canvas bales. Argentine bacon in tropical pack has been selling at 8d. (16 cents) per pound c.i.f. Trinidad. In Barbados bacon was quoted at 71s. (\$17.04) per cwt. c.i.f. for sides weighing from 7 to 9 pounds packed in 112-pound boxes.

DUTIES

The duties on hams and bacon are as follows:—

	Trinidad Per 100 Lbs.	Barbados Per 100 Lbs.	British Guiana Per 100 Lbs.
British preferential	\$1.00	4s. 2d.	\$2.00
General	2.00	8s. 4d.	4.00
Surtax	15% of duty	10% of duty	30% of duty

CANNED MEATS

While the imports of canned meat have advanced steadily during the past few years, this trade has been of slight interest to Canadian shippers. At present the trade is dominated by South American shippers, especially those of the Argentine, whose corned beef is the most important product in the canned meat market. Argentine corned beef in 12-ounce tins was quoted as at October 1 at 16s. (\$3.88) per 48 tins c.i.f. Trinidad. There is also a limited sale of roast beef, lunch tongues, ham loaf, and Vienna sausage in tins.

DUTIES

Duties on canned meats are as follows:—

	Trinidad Per 100 Lbs.	Barbados Per 100 Lbs.	British Guiana Per 100 Lbs.
British preferential	\$1.00	4s. 2d.	\$1.50
General	2.00	8s. 4d.	3.00
Surtax	15% of duty	10% of duty	30% of duty

FROZEN MEATS

Local regulations require that all meat slaughtered locally must be sold the same day as butchered. While a large percentage of the fresh meat is of domestic production, a lack of uniformity in cut and quality and the necessity of having a steady supply of meat at all times has encouraged large retailers with refrigeration facilities to import frozen meats, which are not subject to these regulations.

Semi-monthly direct sailings from Argentina have encouraged this trade, so that in recent years, and especially in 1937, there has been a considerable increase in imports, as shown by the following figures of shipments received in the three principal markets in 1937, figures for 1936 being shown within parentheses:—

Trinidad.—Total, \$102,597 (\$69,662); Argentina, \$68,823 (\$47,704); United Kingdom, \$20,527 (\$15,120); New Zealand, \$11,269 (\$6,831).

Barbados.—Total, \$41,716 (\$26,659); Argentina, \$31,696 (\$24,052); United States, \$2,324 (\$475); Canada, \$1,704 (\$1,406).

British Guiana.—Total, \$4,122 (\$4,637); Argentina, \$3,078 (\$687); United Kingdom, \$651 (\$1,271); New Zealand, \$281 (\$2,363).

The c.i.f. prices for Argentine beef cuts vary from 10 cents to 12 cents per pound, fine cuts such as tenderloins being as high as 24 cents per pound. The retail price in Trinidad for beef cuts such as boneless steaks is about 24 cents per pound, and mutton cuts such as mutton chops and cutlets cost about 30 cents per pound, pork legs 30 cents, and pork shoulders 24 cents per pound. Finer cuts in all meats may cost, however, as high as from 48 to 60 cents per pound.

DUTIES

The duties on fresh frozen meats are as follows:—

	Trinidad Per 100 Lbs.	Barbados Per 100 Lbs.	British Guiana Per 100 Lbs.
British preferential	Free	1s. 9d.	\$1.50
General	\$0.50	3s. 6d.	3.00
Surtax . . . . .	....	10% of duty	30% of duty

WHEAT AND FLOUR TRADE IN CYPRUS

HENRI TURCOT, CANADIAN TRADE COMMISSIONER

(One Cyprus £ is equivalent to £1 sterling; one hundredweight equals 112 pounds)

Cairo, October 4, 1938.—This year's crop of wheat in Cyprus is estimated at 2,000,000 bushels as compared with 2,200,000 bushels in 1937. The annual consumption of the island is placed at 2,800,000 to 3,000,000 bushels. During the present wheat year, imports of wheat, including flour in terms of wheat, are therefore expected to amount to 800,000 to 1,000,000 bushels.

IMPORTS OF WHEAT

Imports of wheat into Cyprus are of the soft and cheaper varieties, as may be judged from the following table, which shows the quantities and countries of origin of wheat imports in the years 1937 and 1936.

Countries of Origin	1937		1936	
	Cwts.	£	Cwts.	£
British India	3,039	1,670	.....	.....
Palestine	38	24	.....	.....
Argentina	60	12	.....	.....
Egypt	46,036	24,022	.....	.....
Greece	10	7	.....	.....
Iraq	55,698	29,232	.....	.....
Roumania	2	1	.....	.....
Syria	30,217	15,503	74,012	30,768
Turkey	16,561	7,316	962	376
Total	151,661	77,787	74,974	31,144

As a rule, Syria is one of the island's leading suppliers of wheat. In 1936 Syria was the chief source of supply; but in 1937 her share fell sharply, owing largely to a ban on her exports during a part of the year. Other leading suppliers in 1937 were Iraq, Egypt, and Turkey. Iraq is a more or less normal source of supply, Turkey is less frequently an exporter to Cyprus, and Egypt is distinctly a newcomer in this field. As exports of wheat from Syria were permitted for only a short period this year, it may be expected that the distribution of imports into Cyprus will be much the same in 1938 as in 1937.

On account of high freight rates, high prices in comparison with prices for the cheaper varieties available in nearby markets, and relatively small individual orders, it is unlikely that Canadian wheat could be sold in Cyprus, in spite of the tariff preference accorded wheat from British Empire countries. The preferential tariff rate is 1 shilling per hundredweight and the general tariff rate 2 shillings per hundredweight.

IMPORTS OF FLOUR

The quantities and values of imports of flour into Cyprus in 1937 and 1936 by countries of origin were as follows:—

Countries of Origin	1937		1936	
	Cwts.	£	Cwts.	£
United Kingdom	182	197	94	94
Australia	244,149	154,898	167,537	80,303
British India	76,004	47,845	.....	.....
Palestine	4	4	.....	.....
Syria	20	9	11	7
United States	274	242	1,342	753
Canada .. . . .	.....	.....	160	113
Total	320,633	203,195	169,144	81,270

Practically the whole of the imports in 1936 consisted of Australian flour. While still leading by a substantial margin, Australian flour in 1937 met strong competition from British India. It is reported that flour from British India, although of a lower grade than the Australian product, is gaining further ground this year. This is attributed to slightly lower prices and larger yields in loaves to the baker from the sack of Indian flour. The quality of bread is of minor importance in Cyprus. Price to the consumer and profit to the baker are the main factors.

TARIFF PREFERENCE AND PRICES

So long as the flour trade in Cyprus is primarily on a price basis, it will be difficult to make much headway with Canadian flour in the Cyprus market. At most it will only be possible to capture a share of United States sales when prices are in line. Canada enjoys a tariff advantage over the United States. The preferential rate of duty was £1 per ton and the general rate £4 per ton up to June 2, 1938, when the rates were raised to £2 and £5 per ton respectively. Last year, however, the difference in duty was not sufficient to offset the difference in Canadian and United States prices.

The demand for quality flour, which is required in small quantities for high-class confectionery, is met by flour from the United States and Canada.

For the reasons already given, dealers are doubtful if the demand for such a product can be increased under ordinary circumstances. A crop failure in Australia would probably be the only factor that could increase the sale of Canadian and United States flour in Cyprus. Since the domestic crop of wheat is slightly smaller than that of last year, it is likely that imports of flour will show a certain increase during the present wheat year.

Australian flour for Cyprus is generally drawn from stocks at Port Said and United States flour from stocks at Alexandria. For the week ending October 1, the following prices were quoted on Australian flour: "Brilliant," October shipment, £7 $\frac{3}{4}$ per ton, c.i.f. Port Said; "Brilliant," spot, £8 $\frac{3}{4}$ per ton franco bonded Port Said; other brands, spot £8 $\frac{1}{4}$ per ton franco bonded Port Said, and October shipment £7 $\frac{1}{4}$ per ton c.i.f. Port Said. During the same period, quotations c.i.f. Alexandria on United States flour were as follows: "Northern King," £14 $\frac{1}{4}$ per ton; "Gold Medal," £14 per ton.

INCREASE IN DUTIES

On June 2, 1938, with a view to keeping up prices of domestic wheat, the duties on wheat and flour were increased, with the exception of the preferential rate of duty on wheat, (the larger quantity of wheat imported into Cyprus being from non-Empire countries). The rates of duty on wheat and flour now stand as follows: wheat, preferential tariff, 1 shilling per cwt. (unchanged), and general tariff, 2 shillings per cwt. (from 1 $\frac{1}{2}$ shillings per cwt.); flour, preferential tariff, £2 per ton (from £1 per ton), and general tariff, £5 per ton (from £4 per ton). Preferential rates are extended to all British Empire countries, including Canada.

TRADE COMMISSIONERS ON TOUR

Mr. J. C. Macgillivray, Canadian Trade Commissioner at Berlin, Germany (whose territory includes Czechoslovakia and Poland); and Mr. J. L. Mutter, Canadian Trade Commissioner at Johannesburg, South Africa (whose territory includes the Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland), are visiting the principal industrial centres of Canada in the interest of Canadian trade with their respective territories. Their itineraries are as follows:—

Mr. Macgillivray

Quebec and Levis... ..Oct. 31
Halifax and Stewiacke... ..Nov. 2 and 3
Kentville, Wolfville and
Bridgetown... ..Nov. 4 and 5

St. John and Black's
Harbour... ..Nov. 8
Toronto and Weston... ..Nov. 11 to 18
Kitchener... ..Nov. 21
London and Ingersoll... ..Nov. 22

Mr. Mutter

Ottawa and Carleton
Place... ..Oct. 31
Renfrew and Pembroke... ..Nov. 1
Brockville, Kingston and
Picton... ..Nov. 2
Oshawa, Bowmanville and
Cobourg... ..Nov. 3
Orillia, Gravenhurst and
Huntsville... ..Nov. 4
Toronto and district... ..Nov. 7 to 19

Guelph... ..Nov. 21
Kitchener and district... ..Nov. 22 to 24
London and district... ..Nov. 25 and 26
Paris and Brantford... ..Nov. 28
Hamilton, Simcoe and
Winona... ..Nov. 29 and 30
Galt... ..Dec. 1
St. Catharines and
Welland... ..Dec. 2

Firms who wish to be brought in touch with the Trade Commissioners should communicate: for Toronto, with the office of the Canadian Manufacturers Association; and for the other centres, with the respective Board of Trade or Chamber of Commerce.

IMPORT TRADE OF SWEDEN IN 1937

Items of Interest to Canada

RICHARD GREW, CANADIAN TRADE COMMISSIONER

Oslo, September 19, 1938.—In the report on the Foreign Trade of Sweden in 1937, published in *Commercial Intelligence Journal* No. 1793 (June 11, 1938), there was given certain general information on the trade of Sweden, such as the total imports and exports of the more important goods, the percentages of the total imports credited to the more important countries of supply, and the percentages of total exports to chief purchasing countries. This information was available from the preliminary trade returns published by the Swedish Board of Trade. The detailed figures for the calendar year 1937 have recently been issued and these show imports of the individual articles by countries of origin.

The total imports originating in Canada, as shown by these statistics, increased from 12 million kronor in 1936 to 15.4 million kronor in 1937. Canada's share of the total Swedish imports declined slightly, however, from 0.735 per cent in 1936 to 0.729 per cent in 1937. It should be noted that, while the Swedish statistics use the term "British North America" to cover Canada, Newfoundland and other British possessions in North America, the bulk of these imports actually originate in Canada.

IMPORTS FROM BRITISH NORTH AMERICA

The following list shows quantities and values of imports which originated in British North America, according to the Swedish trade returns for 1937, together with the comparative figures for 1936 within parentheses. The figures have been brought to the nearest whole unit:—

Live animals to a value of 58,981 kronor (3,426); salted pork, 49 tons (11); fresh frozen salmon, 44 tons (39); salted salmon, 277 tons (253); horsehair, 5 tons (nil); casings, 99 tons (217); fresh apples, 66 tons (10); dried apples, 35 tons (12); wheat, 33,290 tons (35,275); wheat flour, 60 tons (50); rye, 171 tons (nil); blue lucerne seed, 2 tons (2); soy and other sauces, 91 tons (74); sugar, 11 tons (5); maize flakes, 13 tons (5); canned fish and lobster, 293 tons (259); other canned foodstuffs, 7 tons (4); asbestos, 1,378 tons (411); various ores, 3 tons (nil); calcium chloride, 4,186 tons (nil); drugs, 4 tons (nil); lampblack, 10 tons (nil); mineral dyes, 5 tons (nil); liquid soap and polish, 9 tons (nil); patent leather, 25 tons (20); dyed leather, 3 tons (1); undressed furs, 1 ton (1); dissolved rubber, gutta-percha and balata, including artificial soft rubber, 2 tons (nil); rubber belting, 6 tons (1); rubber stoppers, 1 ton (1); tire casings, 273 tons (166); inner tubes, 17 tons (8); sawn wood goods, 107 cubic metres (51); manufactured wood goods, 4 tons (2); wallpaper, 3 tons (3); cotton waste, 23 tons (nil); woollen paper-makers' felts, 3 tons (2); manufactured articles of gold, 3,665 grammes (2,901) valued at 34,070 kronor (26,682); pig-iron, 844 tons (nil); manganese iron and specular cast iron, 25 tons (nil); plough shares, 5 tons (nil); hay forks and other farm implements, 3 tons (4); wrought iron castings, 94 tons (67); zinc, 101 tons (nil); nickel, 82 tons (nil); knitting machine needles, 196 kilograms (147); rolling-mills, drop-hammers and monkey-engines, 113 tons (nil); ploughs, 38 tons (23); harrows, 21 tons (6); harvesters, 11 tons (39); parts for agricultural machinery, 2 tons (2); tractors, 2 tons (nil); rollers and roller cylinders, 54 tons (nil); miscellaneous machinery parts, 29 tons (nil); generators and motors, 2 tons (nil); miscellaneous electric machinery, 71 kilograms (nil); carbon for electro-technical purposes, 462 tons (643); porcelain insulators, 270 tons (129); parts for automobiles, 527 tons (332); and pen-holders, 200 kilograms (171).

Of the items included in the detailed Swedish statistics, the following have been selected as being of interest to Canadian exporters, the 1936 figures being shown within parentheses:—

FOODSTUFFS AND AGRICULTURAL PRODUCTS

Live Animals.—The imports into Sweden of live animals other than horses, cattle, sheep, hogs and poultry, were valued at 461,577 kronor in 1937 as compared with 270,471 kronor in the previous year. The most important supplier was Norway, which is credited with 163,945 kronor (112,968). Great Britain is credited with 78,585 kronor (28,980), the

United States 65,976 kronor (11,969), British North America 58,981 kronor (3,426), Denmark 55,504 kronor (49,261), and Germany 21,399 kronor (30,534).

Salted Pork.—Imports totalled 1,647 tons (1,877), supplied chiefly by Argentina, which is credited with 1,188 tons (1,331). Brazil shipped 281 tons (404), British North America 49 tons (11), Uruguay 49 tons (38), the United States 48 tons (63), and Denmark 16 tons (nil).

Fresh Frozen Salmon.—Imports totalled 512 tons (539). The largest supplier was Norway, credited with 221 tons (256), while 96 tons (147) originated in Finland, 66 tons (35) in Denmark, 44 tons (39) in British North America, 23 tons (10) in Japan, 19 tons (12) in Esthonia, and 15 tons (2) in the United States.

Salted Salmon.—Imports increased to 890 tons (839), the bulk of which was divided between the United States. British North America and Japan, which shipped 404 tons (378), 277 tons (253) and 134 tons (126), respectively.

Casings.—Imports rose to a total of 3,160 tons (3,067), of which 995 tons (1,411) came from the United States, 479 tons (179) from Argentina, 324 tons (264) from France, 281 tons (236) from the Netherlands, 143 tons (114) from Finland, 136 tons (151) from Great Britain, and 100 tons (217) from British North America.

Fresh Apples.—Imports had an aggregate weight of 13,266 tons (13,870), the bulk of this trade being divided between the United States and Australia, these countries shipping 6,970 tons (7,919) and 4,250 tons (4,061) respectively. Argentina supplied 704 tons (579), New Zealand 480 tons (522), Italy 458 tons (89), British South Africa 205 tons (650), Chile 82 tons (nil), and British North America 66 tons (10).

Dried Apples.—These imports, which declined to 1,238 tons (1,427), were divided between the United States and British North America which are credited with 1,203 tons (1,415) and 35 tons (12), respectively.

Wheat.—Imports increased slightly to 50,349 tons (48,714), most of which originated in British North America, which is credited with 33,290 tons (35,274). The only other suppliers of any importance were Argentina and the United States, which are credited with 9,771 tons (1,646) and 7,287 tons (11,700), respectively.

Rye.—Imports declined considerably, totalling only 2,728 tons (5,364), the bulk of which came from Poland. British North America supplied 171 tons (nil), and the United States 112 tons (99).

Wheat Flour.—Imports totalled 95 tons (92), the principal supplier being British North America with 60 tons (50), while 32 tons (31) came from the Netherlands.

Blue Lucerne Seed.—Imports amounted to 185 tons (139), most of which came from Hungary.

Soy and Other Sauces.—Imports increased to 170 tons (140). Practically all came from British North America and Great Britain, which contributed 91 tons (74) and 65 tons (61), respectively.

Sugar.—The total imports of sugar of all kinds increased to 6,484 tons (5,138), most of which came from Cuba, which shipped 6,319 tons (4,988); Belgium supplied 63 tons (60), the United States 45 tons (38), Germany 23 tons (15), Norway 12 tons (21), and British North America 11 tons (5).

Maize Flakes.—Imports of maize flakes increased to 205 tons (172). The bulk of these imports came from the United States, which shipped 147 tons (128). Japan is credited with 16 tons (7), British North America with 13 tons (5), Belgium with 12 tons (17), and the Netherlands with 6 tons.

Canned Fish and Crustaceans.—Imports, exclusive of sardines and anchovies, increased to 491 tons (389), the bulk originating in British North America and Japan, which are credited with 293 tons (259) and 113 tons (74), respectively.

Miscellaneous Canned Goods.—These imports increased to 356 tons (224). France supplying 267 tons (164), Japan 28 tons (15), Great Britain 21 tons (15), British North America 7 tons (4).

Whisky.—Imports in bottles amounted to 88,099 litres (76,110), practically all of which came from Great Britain. No mention is made of British North America, which shipped 775 litres in 1936.

RAW MATERIALS AND WHOLLY OR PARTLY MANUFACTURED GOODS

Asbestos.—Imports increased from 2,707 tons in 1936 to 4,784 tons in 1937. The chief suppliers were European Soviet Russia, which is credited with 1,568 tons (555), British North America with 1,378 tons (411), British South Africa with 1,010 tons (20), Finland with 544 tons (964), and the United States with 249 tons (229).

Bauxite, Flint, Fluorspar, Diatomite and Cryolite.—Total imports of these articles increased to 23,748 tons (14,381). The most important supplier was France with 13,239 tons (4,256), while 3,143 tons (2,537) came from Germany, 2,689 tons (nil) from Jugoslavia, 2,378 tons (2,415) from Denmark, 1,000 tons (4,697) from Greece, and 113 tons (109) from the United States.

Gypsum.—Imports increased to 36,328 tons (29,370), practically all of which, 36,143 tons (28,953), came from Latvia.

Miscellaneous Ores.—Imports other than iron, chromium, copper, sulphur-ore and magnesite-ore, totalled 15,756 tons (15,462), the bulk being credited to Asiatic Soviet Russia with 11,430 tons (nil).

Calcium Chloride.—These imports increased to 92,359 tons (60,191), the most important suppliers being Belgium with 55,387 tons (36,860), Germany with 19,501 tons (10,604), the United States with 13,275 tons (12,682), and British North America with 4,186 tons (nil).

Lampblack.—Imports amounted to 1,086 tons (975), of which the United States supplied 866 tons (741), Germany 183 tons (190), British North America 10 tons (nil).

Liquid Soap and Polish.—Imports rose to 988 tons (815), of which Germany supplied 459 tons (392), while 199 tons (168) originated in Great Britain, 197 tons (108) in the United States, 64 tons (63) in Switzerland, 42 tons (38) in Denmark, 10 tons (12) in Norway, and 9 tons (nil) in British North America.

Patent Leather.—Imports, in pieces weighing at least 1 kilogram each had a total weight of 34 tons (24), British North America supplying 16 tons (11), the United States 14 tons (9), and Germany 3 tons (3). Patent leather in pieces weighing less than 1 kilogram each was imported to an aggregate of 33 tons (21), the most important suppliers being the United States and British North America which shipped 19 tons (9) and 9 tons (8) respectively.

Dyed Leather.—Imports of this commodity in pieces weighing at least 1 kilogram each, aggregated 122 tons (129), of which Great Britain supplied 38 tons (20), Finland 24 tons (25), Denmark 20 tons (21), Germany 13 tons (42), and the United States 10 tons (8). Imports of dyed leather, in pieces weighing less than 1 kilogram each, increased to 628 tons (562), the most important suppliers being Great Britain with 272 tons (192), and the United States 113 tons (118). British North America supplied 3 tons (1).

Other Kinds of Leather.—These imports, in pieces weighing at least 1 kilogram each, increased to 27 tons (16), Great Britain being credited with 10 tons (4), Japan with 9 tons (8), and Finland with 4 tons. Imports, in pieces weighing less than 1 kilogram each, increased to 272 tons (217), the bulk coming from Great Britain which is credited with 189 tons (156), France 36 tons (34), and the United States 16 tons (14).

Undressed Furs.—Imports of undressed furs of beaver, chinchilla and ermine increased from 275 kilograms to 774 kilograms, of which Finland is credited with 757 kilograms (171). British North America was credited with 46 kilograms in 1936, but no imports are shown for 1937. Imports of other undressed furs, excluding those of sheep, gazelle and goat, totalled 26 tons (28), of which 15 tons (11) came from the United States, and 1.1 (0.8) from British North America.

Dissolved Rubber, Gutta-Percha and Balata.—Imports, including artificial soft rubber, amounted to 169 tons (138), the United States supplying 76 tons (63), Great Britain 51 tons (40), Belgium 20 tons (11), Germany 16 tons (20), and British North America 2 tons (nil).

Rubber Belting.—Imports increased from 405 tons to 541 tons, the United States supplying 161 tons (77), Great Britain 220 tons (197), Norway 59 tons (36), British North America 6 tons (1).

Tire Casings.—Imports of tire casings for automobiles increased to 1,784 tons (1,444). The largest supplier was the United States, which shipped 690 tons (613), while 342 tons (235) came from Great Britain, 273 tons (166) from British North America, 139 tons (89) from Germany, 137 tons (110) from Belgium, and 104 tons (152) from France.

Inner Tubes.—Imports of inner tubes for automobiles totalled 225 tons (205), 84 tons (65) being credited to the United States, 59 tons (61) to Great Britain, 20 tons (21) to Belgium, 17 tons (8) to British North America.

Rubber Footwear.—Imports of this item, including galoshes, increased to 66 tons (50), the chief supplier being Norway with 44 tons.

Manufactured Articles of Gold.—Imports aggregated 333,421 grammes (337,981), of which 263,731 grammes (267,948) came from Germany, 20,981 grammes (25,359) from Great Britain, 18,541 grammes (14,597) from Czechoslovakia, 12,255 grammes (11,625) from the United States, and 3,665 grammes (2,901) from British North America.

Pig Iron.—Imports increased to 190,115 tons (167,134), the Netherlands contributing 44,146 tons (42,710), Germany 31,962 tons (51,823), Soviet Russia 31,651 tons (56,722), the United States 26,678 tons (nil), France 16,956 tons (2,743), Great Britain 13,976 tons (991), British North America 844 tons (nil).

Plough Shares.—Imports totalled 102 tons (101) of which the United States supplied 81 tons (93), Germany 9 tons (5), Denmark 5 tons (2), British North America 5 tons (nil).

Hay Forks and Other Farm Implements.—These imports increased to 249 tons (169), of which 127 tons (91) originated in Germany, 92 tons (51) in the United States, 25 tons (22) in Denmark, and 3 tons (4) in British North America.

Ice Skates.—Imports totalled 776 kilograms (750), British North America being the only country of supply mentioned, with 303 kilograms (not specified).

Manufactured Wrought Iron Castings.—Imports of this item, weighing from 100 to 1,000 kilograms each, increased to 903 tons (455), Germany being credited with 653 tons (298), British North America with 90 tons (64), Czechoslovakia with 53 tons (nil), Luxembourg with 29 tons (nil), Great Britain with 25 tons (11), and Denmark with 23 tons (45). Wrought iron castings, gilded, etc., weighing less than half a kilogram, were imported to the extent of 541 tons (448), Germany supplying 351 tons (292), Great Britain 94 tons (79), the United States 34 tons (30), Austria 18 tons (8), Denmark 12 tons (9), Norway 10 tons (13), Czechoslovakia 8 tons (7), and British North America 4 tons (3).

Copper.—Imports increased to 47,461 tons (40,974), the chief suppliers being Chile and the United States credited with 22,095 tons (13,164) and 19,996 tons (21,861), respectively. Belgium supplied 2,831 tons (2,063), British South Africa 1,340 tons (178), Great Britain 612 tons (478), and Belgian Congo 437 tons (nil). No mention is made of British North America which in 1936 shipped 3,069 tons.

Zinc.—Imports increased to 15,935 tons (12,926), Poland supplying 5,147 tons (5,624), Norway 4,939 tons (3,596), Belgium 2,569 tons (1,730), Mexico 1,939 tons (1,805), British North America 101 tons (nil).

Nickel.—Imports totalled 1,854 tons (1,525), the bulk being divided between Great Britain and Norway which supplied 1,100 tons (914) and 600 tons (576), respectively, while British North America is credited with 82 tons (nil).

Ploughs.—Imports totalled 832 tons (338), 593 tons (210) originating in the United States, 139 tons (51) in France, 45 tons (34) in Germany, 38 tons (23) in British North America, and 10 tons (11) in Denmark.

Harrows.—Imports aggregated 141 tons (75), 81 tons (41) coming from the United States, 24 tons (15) from Finland, 21 tons (6) from British North America, and 13 tons (11) from Germany.

Harvesters.—Imports amounted to 699 tons (502), of which Germany shipped 553 tons (324), Great Britain 117 tons (114), the United States 17 tons (9), and British North America 11 tons (39).

Parts for Agricultural Machinery.—Imports had a total weight of 762 tons (490), the bulk being credited to France, 490 tons (331). Other suppliers were Germany 173 tons (99), the United States 76 tons (43), Denmark 9 tons (9), Great Britain 8 tons (2), and British North America 2 tons (2).

Rollers and Roller Cylinders.—Imports had a total weight of 1,794 tons (1,223), of which Germany shipped 1,408 tons (1,010), while 269 tons (102) came from Belgium and 54 tons (nil) from British North America.

Carbon.—Imports for electro-technical purposes had an aggregate weight of 4,034 tons (3,894). Germany and the United States shipping 2,357 tons (2,560) and 1,210 tons (690) respectively, while 462 tons (643) came from British North America.

Porcelain Insulators.—Imports amounted to 888 tons (681), of which 375 tons (249) came from Germany, 270 tons (129) from British North America, and 190 tons (183) from the United States.

Automobile Parts.—Imports of parts other than chassis and tops increased to 18,023 tons in 1937 as compared with 15,508 tons in 1936. Practically all of these imports came from the United States, which supplied 15,183 tons (13,660), other smaller contributors being Great Britain with 1,307 tons (782), Germany with 583 tons (476), British North America with 527 tons (332), Czechoslovakia with 205 tons (50), and Belgium with 205 tons (198).

WHEAT AND FLOUR TRADE REGULATION IN EGYPT

HENRI TURCOT, CANADIAN TRADE COMMISSIONER

(One Egyptian pound of 100 piastres equals approximately \$5.12 Canadian; one metric ton equals 2,205 pounds)

WHEAT

Cairo, September 24, 1938.—Since Egypt's customs tariff was radically altered and a protective régime introduced in 1930, the duty on foreign wheat has been augmented at various intervals with the object of encouraging the domestic cultivation of wheat by maintaining internal prices at a level remunerative to the farmer.

To counteract the effect of an unprecedented crop on top of a carryover of 45,000 metric tons from the previous season, the Egyptian Government last year

adopted two measures in keeping with this policy. The first provided for a bonus of 15 piastres (approximately \$0.75 Canadian) per ardeb (150 kilos or 5.44 bushels) of wheat exported. The second, designed to replace the first as being inadequate for its intended purpose, authorized the purchase of up to 45,000 tons of wheat for export by the Agricultural Bank on the guarantee of the Government, the difference between the price paid to borrowers and the selling price to exporters to be considered as an export subsidy.

As a result of the Egyptian Government's consistent policy of maintaining internal prices of wheat at a level profitable to growers, Egypt is tending to become self-sufficient.

DOMESTIC PRODUCTION

Soft wheat only is produced in Egypt. The chief varieties are the Hindi (density from 780 to 810, gluten content from 5 to 7 per cent) and the Baladi (density from 750 to 770, gluten content generally from 3 to 4 per cent). The Hindi is superior for milling purposes; the Baladi, however, gives a better yield.

The area sown to wheat in 1937-38 and 1936-37 respectively totalled 1,416,306 and 1,368,900 feddans (one feddan is equal to 1.038 acre), and the wheat crop amounted to 8,334,000 and 8,233,000 ardebs (1,250,100 and 1,234,950 metric tons).

The present self-sufficiency of the country, the population of which is in the neighbourhood of 16,000,000, is due to the practice of bakers mixing in various proportions maize flour or flour obtained from rice screenings with wheat flour, as also to the poorer classes eating little or no bread made from wheat flour.

MARKET CONDITIONS

In the last two years imports were negligible, amounting only to 3 metric tons in 1937 and 2.5 metric tons in 1936. On the other hand, exports of wheat reached 27,452 metric tons in 1937 as compared with 318 metric tons in the preceding year. The exportation of wheat is a new development in Egypt.

There was no carryover of any consequence from last season when this year's domestic crop appeared on the market in May. No exports are anticipated, but it is estimated that the requirements of the country will be fully covered by the domestic product until the next crop is reaped.

The local wheat market has of late displayed much strength and indications are for a continuance of the present upward movement. The war scare stiffened the attitude of holders, making them less inclined than previously to part with their goods. In the circumstances, millers have experienced some difficulty in securing supplies and have been compelled to purchase on a hand-to-mouth basis, which leaves them open to a number of risks.

On September 17 the following prices were quoted for medium grades: Hindi Saidi, 763 piastres (\$8.15) per ardeb (about 5½ bushels); Hindi Beheri, 158 piastres (\$7.90) per ardeb; Baladi Saidi, 153 piastres (\$7.65) per ardeb; and Baladi Beheri, 148 piastres (\$7.40) per ardeb.

IMPORT REGULATIONS

There are no trade or exchange restrictions upon the importation of wheat into Egypt, provided that the product is in a suitable condition for human consumption and does not contain insects harmful to plant life in this country.

DUTIES

Wheat imported into Egypt falls under tariff item No. 69, which fixes the rate of duty on the basis of the quotation for the ton of Australian wheat on the London Exchange c.i.f. Egyptian port. The duty rises gradually from £E0.740 per 100 kilos gross when the quotation is £8 or more to £E1 when the price quoted is £5 up to £5 5s., and £E1.205 when the quotation is less than £3.

To the above is to be added an ad valorem duty of 3 per cent of the c.i.f. value, which is applicable to all imports, and quay dues of 10 per cent of the duty.

FLOUR

Flour imported into Egypt is intended mainly for mixing with local flour milled from Baladi wheat, the gluten content of which is very low. However, in common with the domestic cultivation of wheat, local milling of flour since 1930 has been promoted by a gradually increasing tariff protection, and flour has been so heavily taxed that imports have diminished considerably.

IMPORTS

In the 1920-29 period (prior to tariff protection) average yearly imports of flour into Egypt amounted to 169,947 metric tons. The peak year was 1925 with 198,575 metric tons, and the lowest year 1922 with 108,700 metric tons. During the 1930-35 period (after the introduction of a protective policy) average annual imports were 69,831 metric tons, the highest figure being 195,929 metric tons in 1930 before the effects of tariff modifications were felt. In the years following 1930 imports decreased gradually to the low level of 3,350 metric tons in 1935, the decline coinciding with the upward trend in customs duties. In 1937 and 1936 imports of flour totalled 2,336 and 3,073 metric tons respectively.

All importing countries, Australia particularly, have been adversely affected by the prohibitive duties imposed in the last few years on foreign flour in Egypt. This is apparent from the following table showing imports of flour into Egypt by countries of origin for the years 1930 to 1937:—

Countries of Origin	1930	1931	1932	1933	1934	1935	1936	1937
			Figures in Metric Tons of 2,205 Pounds					
Total	195,360	152,244	58,430	5,247	4,041	3,223	3,073	2,336
United Kingdom..	1,100	164	310	166	148	129	139	108
British India..	1,852	863	238	....	....	....	....	....
Australia..	95,223	100,049	43,091	205	203	229	222	138
Canada..	3,774	557	266	207	107	76	348	190
United States..	17,264	14,452	9,127	4,644	3,559	2,773	2,358	1,894
France	49,929	26,817	2,097	10	....	....	....	....
Italy	21,000	5,163	946	....	....	....	....	....
Other countries ..	5,218	4,179	2,355	15	24	16	6	6

It is observed that imports of Canadian flour into Egypt have fallen from 3,774 metric tons in 1930 to 557, 266, 207, 107, 76, 348, and 190 metric tons in 1931, 1932, 1933, 1934, 1935, 1936, and 1937 respectively. There is no doubt that Canada's position has been affected by Egyptian tariff developments, but the decline in sales of Canadian flour to Egypt is also due to high prices quoted in recent years on the Canadian product.

PRESENT MARKET PRICES

The rise in wheat values has also caused prices of domestic flour to advance. The demand is not affected by this development and continues brisk. Stocks at the mills are low.

The following prices were quoted on local flour during the week ending September 17: superior quality, 106 to 110 piastres (\$5.30 to \$5.50) per bag of 54 okes (one oke is equal to 2.75 pounds); medium quality, 148 to 153 piastres (\$7.40 to \$7.65) per bag of 80 okes; and lower quality, 130 to 135 piastres (\$6.50 to \$6.75) per bag of 80 okes.

During the same week the foreign flour market was featureless. The following unchanged prices were quoted for the limited demand ruling: Australian—"Brilliant," spot £8 2s. 6d. per ton franco bonded Port Said; "Brilliant," September shipment, £7 7s. 6d. per ton c.i.f. Port Said; other brands, spot £7 15s. per ton franco bonded Port Said, and September shipment, £7 2s. 6d. per ton

c.i.f. Port Said. United States—"Northern King," £14 5s. per ton c.i.f. Alexandria, and 175 piastres (\$8.75) per bag duty paid; "Gold Medal," £14 per ton c.i.f. Alexandria, and 174 piastres (\$8.70) per bag duty paid.

IMPORT REGULATIONS AND DUTIES

There are no restrictions of any kinds as regards the import of flour into Egypt, provided it is fit for human consumption.

Flour for baking purposes is dutiable under item No. 76 of the Egyptian customs tariff. This item follows the practice established under item No. 69 (wheat), the duties in the case of flour being increased throughout by 350 mils (\$1.75) per 100 kilograms (220.46 pounds) gross weight. In addition an ad valorem duty of 3 per cent of the c.i.f. value is imposed on flour in common with all goods imported into Egypt, and the quay dues amount to 10 per cent of customs dues.

IMPORTS INTO THE UNITED STATES OF PRODUCTS UNDER THE QUOTA PROVISIONS OF THE TRADE AGREEMENT

The following table, prepared by the Canadian Trade Commissioner's office at New York from preliminary figures issued by the Treasury Department at Washington, shows the standing of the quotas provided for under the Canada-United States Trade Agreement up to October 1, 1938. The percentage of quota used by Canada up to October 2, 1937, is likewise given for comparison purposes:—

	Total of Quota	Reduction in Duty	Total Amount	Used by Canada	
				1938 Per Cent to Oct. 1	1937 Per Cent to Oct. 2
Cattle (700 lbs. or more) ..	155,799 head	3 to 2c. per lb.	40,073	25.7	Quota filled
Calves (less than 175 lbs.) ..	51,933 head	2½ to 1½c. per lb.	34,132	65.6	Quota filled
Dairy cows	20,000 head	3 to 1½c. per lb.	5,036	25.2	23.9
Cream	1,500,000 gallons	56½ to 35c. per gal.	4,523	0.3	7.0
Seed potatoes	750,000 bushels	75 to 60c. per 100 lbs. Dec. 1 to end of February; 45c. Mar. 1 to Nov. 30	519,197 bushels	69.2	85.5
Unmanufactured lumber (Douglas fir and Western hemlock)	250,000 M ft. b.m.	\$1.00 to 50c. per M ft. b.m. duty; \$3.00 to \$1.50 tax	127,004 M ft. b.m.	50.8	41.4
Red cedar shingles	864,881 squares	Free	864,881	Quota filled Sept. 28, 1938	70.1

During the period under review total imports of cattle weighing 700 pounds or more amounted to 69,219 head or 44.4 per cent of the total quota. Of this number 29,146 head were shipped from Mexico. Total imports of cattle weighing less than 175 pounds amounted to 36,198 head or 69.7 per cent of the quota. Of this number 2,066 head were shipped from Mexico.

The Canadian quota on red cedar shingles, provided for under the Canada-United States Trade Agreement and Executive Order No. 7946, limited importations of this commodity to 864,881 squares during the last six months of the calendar year 1938. As the quota was filled on September 28, further importations may not be permitted before January 1, 1939.

GOVERNMENT PURCHASES IN BRAZIL

L. S. GLASS, CANADIAN TRADE COMMISSIONER

Rio de Janeiro, August 18, 1938.—The Federal Government of Brazil and the organizations under its control, as well as the various states of the Union, are important purchasers of imported materials. Many of the commodities purchased are of such a nature or are required in such quantities that they must be imported direct and might be considered as comprising a separate import market. Sales by government contract cannot be handled in the same manner as ordinary business. In general, purchases are made by tender through official agencies. In all there are some twenty-three major purchasing groups, of which those representing the Federal Government and the more important states are of most interest to foreign exporters.

Under the New Constitution of November 10, 1937, the individual states may set up their own buying systems, although the Federal Government continues to exercise some control of purchases through the Tribunal of Accounts (Tribunal das Contas), which will be referred to later in this report.

FEDERAL CENTRAL PURCHASING COMMISSION

The most important purchasing body is the Federal Central Purchasing Commission (Commissao Central de Compras do Governo Federal), representing the Government and some of the railways.

This organization was created in January, 1931. It is under the jurisdiction of the Minister of Finance and was intended to effect all purchases for the Federal Government and the railways, but some departments are no longer under its control. Any department may make independent purchases of articles of a technical nature. The commission keeps a register of manufacturers' agents and representatives and an extensive catalogue library to which all foreign manufacturers are invited to contribute. The address of the commission is: Avenida Rodrigues Alves, 135/9, Rio de Janeiro, Brazil.

Purchases are usually made through public tenders, but in some cases selected firms are invited to tender. Occasionally, too, outright purchase may be made without tenders, but in all cases where there is no public call issued, reasons for such action are published in the *Diario Oficial*, the official publication of the Government.

FORM OF TENDER

The first requirement in submitting tenders is that they be in Portuguese, although, if the specifications are very detailed, the language of the tenderer may be used. This is likely to prejudice the chances of obtaining a contract and should never be resorted to except in extreme cases. Definite prices in accordance with the call should be quoted in Brazilian currency, and where there is competition from national manufacturers import duties must be included. Tenders quoting discounts from the lowest bid, either in currency or percentage, will be thrown out. The lowest bid is not necessarily accepted, since in awarding contracts the standing of the tenderer may be taken into consideration as well as terms of payment, delivery date, and such considerations. The tender forms include numerous details which must be complied with in submitting bids.

DEPOSITS BY TENDERER

Before a bid will be accepted on any call for tenders the tenderer must present a receipt from the National Treasury indicating that a certain amount of money, or security equal to it, has been deposited as a guarantee that the bid is bona fide and that the contract, if awarded, will be carried out in full. This deposit is returned to unsuccessful tenderers after the awarding of the

contract, but the successful tenderer must allow it to remain until the completion of the contract, or even longer. In the case of machinery, railroad equipment and such like, this additional period may be from three to six months after the material has been put into use.

In the case of purchases by the Federal Commission, orders not exceeding fifty contos (approximately \$300 Canadian) to be delivered within thirty days and placed locally with firms of good standing do not require deposits or contracts. In all other cases a contract is necessary as well as a caution deposit amounting to 10 per cent of the delivered value of the order involved.

Contracts involving large sums, and therefore heavy caution deposits, usually carry clauses that in the case of failure to deliver a certain fraction of the deposit will be forfeited in accordance with the period of delay involved. It is very important that contracts be carried out to the letter, as in any case where there is dispute it is very difficult to recover the caution deposit.

TERMS OF PAYMENT

Minimum terms of payment are usually specified in the call for tenders, usually 90 days after delivery of the goods, although occasionally, when large sums are involved, a longer time is specified or payment is made in instalments. When the latter method is used, the supplier is given non-interest-bearing notes convertible into currency at the offices of the commission on their various due dates, which correspond to those when the instalments fall due. All payments are made in Brazilian currency.

Prior to 1930 long delays in payment often occurred, but since the creation of the commission these delays have been to a great extent obviated in the case of federal purchases, but when dealing with the states and municipalities delays may still be anticipated. The commission is not responsible for delays in remitting foreign exchange payments. As mentioned previously, the commission pays only in milreis; therefore, after payment is authorized there is always a further delay so long as exchange control continues in force in Brazil. At the present time this additional period is approximately sixty days. Many Canadian exporters continue to quote cash against documents or letter of credit. It is pointed out that the establishment of letters of credit in New York or Canada is impossible under Brazilian regulations, and these terms will not be considered by the commission.

EXEMPTION FROM CUSTOMS DUTIES

Imports by government departments or organizations controlled by the Government usually enter duty free providing that similar goods are not manufactured in Brazil. If the claim of any Brazilian manufacturer that articles produced by him are similar to those being imported is substantiated, full duties must be paid on the imported goods.

It is most important that all shipping documents be made out strictly in accordance with instructions and to a stated consignee. Documents made out to order or to any addressee not entitled to exemption from duties render the goods in question liable to full duties. Once the goods have been shipped, it is impossible to change the documents, and to rectify the error in Brazil is practically impossible. Detailed information respecting documentation of shipments to Brazil may be obtained upon application to the Department of Trade and Commerce, Ottawa.

TRIBUNAL OF ACCOUNTS

Before any contract is finally awarded it must be passed by the Tribunal of Accounts (Tribunal das Contas). This is a board of lawyers appointed by the government to scrutinize all contracts. Fifteen to twenty days are usually required for examination and acceptance.

METHODS OF OBTAINING BUSINESS

There is only one satisfactory method of obtaining government business in Brazil—through a resident agent. This agent may be a factory representative or a locally established commission agent dealing with the government departments. Direct contact by the manufacturer is impracticable except in the case of a product made exclusively by one firm. Before a tender will be considered the tenderer must show proof that all his taxes have been paid and that he owes nothing to the National Treasury. He must be registered and in good standing with the Central Purchasing Commission and with the Registrar of Companies, and at least two-thirds of his staff must be Brazilian born.

An agent must have considerable technical ability, and be in a position to spend often considerable sums of money before the awarding of any contract. In the matter of expenses consideration should be given to the fact that caution deposits must be made with practically every tender, and as the agent may have several tenders in at the same time, the total of the capital he has tied up may be considerable. Therefore it is sometimes the practice for agents to require their principals to advance caution money, which will be returned if a tender is unsuccessful.

Quotations to an agent should always be c.i.f. port of destination, as called for in the tender, and should include all details. It is not necessary to include in the quotation any allowance for agent's commission since, as a rule, there are many other additional costs which he has to include in the final quotation, such as the three per cent exchange tax, one and a quarter sales and consignments tax, etc. It should be indicated, however, whether or not any allowances have been included.

A further point of great importance is the carrying out to the letter of all the terms of the contract. To the exporter, failure to deliver as ordered or to fulfil other terms would probably mean, at most, loss of that particular business, especially if the agent has posted the caution deposit himself. It may be of far greater importance to the agent who, besides losing the deposit, might also be debarred from all future participation in contracts.

PROCEDURE OF THE STATES OF THE UNION

The extent to which systematic purchasing is carried by the different states varies considerably and in many instances it is of little interest to the foreign supplier. It is suggested that the services of a local agent, not necessarily resident in that state, be utilized in every case. Payments are sometimes held up, and a representative on the spot may often be of great assistance.

EXCHANGE CONDITIONS IN COLOMBIA

According to advices received from the Consul General of Colombia in Canada, the exchange regulations that have been in effect in that country during the greater part of the past year have recently been suspended.

The Exchange Control Board of Colombia now authorizes the issue of licences for payments for any kind of merchandise upon presentation of the corresponding application, and also permits the opening of irrevocable credits without any restriction or discrimination whatsoever as to the merchandise to which they refer.

TARIFF CHANGES AND CUSTOMS REGULATIONS

United Kingdom

MACHINERY DUTY-FREE UNDER LICENCE

A notice issued by the Import Duties Advisory Committee of the United Kingdom on October 5, 1938, announces that, in accordance with the provisions of section 10 of the Finance Act, 1932, which authorizes under certain circumstances the exemption of particular consignments of machinery of a kind not for the time being procurable in the United Kingdom from all or any of the duties chargeable under the Import Duties Act, 1932, the committee have recommended and the Treasury have approved that the section shall apply to the following additional classes of machinery, namely: blast furnaces, smelting, metal refining and foundry machinery, and industrial sewing machines.

The notice states that application for exemption may be made by, or on behalf of, a firm purchasing machinery for their own use, or by an importer having the sole agency for the sale of a particular machine in the United Kingdom.

The concession in question does not depend on origin of the machinery. Duty-free entry under Imperial preference of machinery of Empire origin may still be claimed on the usual grounds of direct consignment to the United Kingdom from a part of the Empire and production of a certificate of origin from the manufacturer declaring to a 50 per cent Empire content.

The original list of the classes of machinery to which the section applies was published in *Commercial Intelligence Journal* No. 1544 (September 2, 1933), pages 398-9.

Australia

SALES TAX INCREASED

Information is received that the rate of sales tax in Australia has been increased from 4 per cent to 5 per cent as from September 22, 1938.

The Australian sales tax is levied on all imported goods sold for consumption in Australia and on all goods produced or manufactured in Australia, with exemptions of specified articles in each category. In the case of imports subject to sales tax, the taxable value is the value of the goods for customs tariff purposes plus customs and primage duty, the whole increased by 20 per cent thereof (assumed importer's profit).

The sales tax came into effect on August 1, 1930, the rate being $2\frac{1}{2}$ per cent. The rate was increased to 6 per cent on July 11, 1931, reduced to 5 per cent on October 26, 1933, and to 4 per cent as from September 11, 1936. The 5 per cent rate is now restored as from September 22, 1938.

New Zealand

DEFERRED DUTIES

Deferred changes of rates of duty under three items of the New Zealand customs tariff that were to have become effective on November 1, 1938, have been further postponed until November 1, 1939. The items affected are:—

Item 360.—Nails or tacks exceeding 1 inch in length made from iron wire, whether plain, galvanized, or cement-coated, n.e.i. Present rates £2 per ton (2,240 pounds) under the British preferential tariff, £4 per ton under the general tariff; rates deferred to November 1, 1939, free of duty under the British preferential tariff, £4 per ton under the general tariff.

Item 361.—Nails, lead-headed, and galvanized cup-headed roofing nails. Present rates 20 per cent ad valorem under the British preferential tariff, 40 per cent ad valorem under the general tariff; rates deferred to November 1, 1939, free of duty under the British preferential tariff, 40 per cent ad valorem under the general tariff.

Item 397-1.—White lead ground in oil. Present rates 6s. per cwt. (112 pounds) under the British preferential tariff, 9s. per cwt. under the general tariff; rates deferred to November 1, 1939, free of duty under the British preferential tariff, 9s. per cwt. under the general tariff.

Under all three items the British preferential rates (plus surtax of $22\frac{1}{2}$ per cent of duty) are applicable to Canadian goods. The general tariff applies to goods from all countries outside the British Empire and is increased by a surtax of $22\frac{1}{2}$ per cent of the duty except as regards imports from sixteen specified "most-favoured" countries under Item 360 only.

TARIFF CLASSIFICATION OF RUBBER GOODS

Consequent upon the modifications of Item 449 of the New Zealand customs tariff on March 1, 1938, affecting rubber goods (see *Commercial Intelligence Journal* No. 1779: March 5, 1938, page 329), decisions have been issued by the New Zealand Department of Customs as to the classification of various articles of rubber.

The following, which, by former decisions, were free of duty (except 3 per cent ad valorem primage duty) under all tariffs, are now classified under Item 449-1 as "articles, not elsewhere included in the tariff, wholly of rubber," free of ordinary duty (3 per cent primage duty) under the British preferential tariff (applicable to the United Kingdom and Crown colonies), 15 per cent ad valorem if from Canada or Australia, and 25 per cent ad valorem plus surtax of $22\frac{1}{2}$ per cent of duty if from any non-British country. Rubber in ordinary commercial sheets, composed wholly of compounded or vulcanized rubber, plain coloured, not being ribbed, grooved, or similarly surfaced; rubber, spiked or pipped, in sheets, especially suited for the manufacture of batting gloves and for facing table tennis bats respectively; battery filler, a bottle cap for pouring acid into battery jars; belting in the piece, plain or corrugated, for the manufacture of ladies' belts; castor pads for placing under furniture castors to protect linoleum; cups, plain moulded, for fitting into bottoms of butcher's knife pouches; door-check straps, slotted; door "cushions," pneumatic suction, for motor vehicles; gaskets, strips of rubber specially shaped and designed for insulating doors of refrigerator cabinets; heel pads of sponge rubber for wearing inside boots; "hose protectors," bell-shaped rubber attachments for petrol pumps to prevent pinching of the hose, also sheet rubber packing therefor (but not including metal clips); jackets about 3 inches long (bottle-shaped with open rolled ends), for use with hair-waving outfits; lagging, corrugated, for use on the drums of belt conveyors; opener for removing screw caps from bottles and jars; plugs for bath-tubs without metal fittings attached thereto; rings, bells or guards for protecting horses' fetlocks; shock absorbers, plain or bored, for roller skates; soap savers, rubber rings with projecting points above and below, used for draining soap after use; tips for crutches or walking-sticks; washboard faces; rubber frame protectors for bicycles; purses or coin holders composed wholly of rubber; welting of rubber for shoes; rubber in long lengths and narrow widths, surfaced with partly vulcanized rubber for use in repairing bicycle tires; cement, cushion, tread, and tube "gum" in sheets for repairing rubber tires.

The following, not covered by former decisions, are now also specified as classifiable under Item 449-1 at the rates above-stated: Battery filler, a syringe with rubber bulb and hard rubber stem; brush backs being rubber covers for use on the backs of toilet brushes while the bristles are being washed; cash mats, being small rubber mats suited only for counter use; crib-sheets, being plain rectangular pieces of rubber sheeting; doilies consisting of open work rubber similar to lace, attached to a backing of sheet rubber; "grommets" or bushings used for leading insulated wires through metal sheet; "kant kink" rubber cord covers for use on flexible cords of telephones, electric irons, and similar appliances; "key-tees," being rubber studs for holding keys; road marking blocks and studs of rubber; rubber protector caps for use on the ends of window fittings; rubber protectors, being small squares of sponge rubber with cross-cut opening in the centre for use with hair-waving outfits; rubber suction discs, being small cups of soft rubber for holding printed celluloid discs for attachment to windcreens of motor-cars; shelf-supports, rubber, acorn type, for use in the manufacture of refrigerators; soap boxes, dishes and trays; "spandit" rubber parcel carrier, being a rubber strap with loops at each end; tablecloths, being plain rubber sheets with floral or other designs printed on one surface and having scalloped edges; rubber wedges for windows.

Other recent decisions on rubber goods include the following:—

Rubber in sheets, having a proprietary, trade, or manufacturer's name moulded thereon, such moulding being distributed at intervals over the whole surface of the material, on declaration (a) that it will be sold only to boot manufacturers or repairers for use as soles or (b) by a manufacturer that it will be used by him only in the manufacture of rubber heels or rubber soles—free of duty (3 per cent primage duty) under the British

preferential tariff (applicable to Canada), 20 per cent ad valorem plus 22½ per cent of duty under the general tariff (applicable to all non-British countries) (Item 448).

Valve seats, washers, and gaskets of synthetic rubber, to be used only in the manufacture of petrol distributing outfits of the "kerbside" type; also rubber in plain sheet form, specially prepared for and to be used only in the manufacture of corsets, free of duty under all tariffs (but 3 per cent ad valorem primage duty) (Item 448).

Patches or pieces of rubberized fabric or textile (not being reliners or parts of reliners) bevelled, shaped, or otherwise specially suited for the repair of tires, whether or not coated with rubber solution or other adhesive, are free of ordinary duty (3 per cent ad valorem primage duty) under the British preferential tariff (applicable to Canada) and 10 per cent ad valorem under the general tariff (applicable to all non-British countries).

Horseshoes of rubber and fabric, even if reinforced with metal, including metal fittings therefor if imported therewith; also horseshoe pads of rubber and fabric, are free of ordinary duty (3 per cent ad valorem primage duty) under all tariffs. (Item 449-2).

United States

MARKING OF ARTICLES INTENDED TO BE COMBINED WITH OTHERS

United States Treasury Decision 49715 of September 30 contains explanatory matter with reference to the revised United States marking regulations published in *Commercial Intelligence Journal* No. 1799 (July 23, 1938), page 143.

Article 528(h) of United States Customs Regulations, as amended in 1938, announced that when an imported article is combined with another, subsequent to importation but before delivery to an ultimate purchaser, the marking of the imported article should clearly show that the origin indicated applies to it only and not to the other article with which it has been combined. For example, bottles or drums imported empty to be filled in the United States should be marked with some such words as "bottle (or drum) made in (name of country)." This regulation was not to apply to articles so substantially changed in the United States as to become products of the United States.

The new decision states that the phrase "combined with another article" as used in Article 528(h), refers to combining an imported article with another article without any process of manufacture or production. Their separate identities are maintained and they do not become integral parts of an article manufactured or produced in the United States. Imported watch movements and toothbrush handles, for example, are not within the purview of the article, whereas bottles or other containers imported empty to be filled are within its purview.

T.D. 49715 authorizes Collectors of Customs, in the case of articles subject to the special marking requirement of Article 528(h) imported before December 1, 1938, to accept marking by firmly affixed paper labels or any other means, provided he is satisfied that such special marking is sufficiently permanent to convey to the ultimate purchaser of the combined articles that the country of origin indicated is that of the imported article only. In the case of articles imported on or after December 1, 1938, the special marking required by Article 528(h) should be as permanent as the nature of the article would permit if the marking were accomplished either during the course of manufacture or at some other time prior to shipment.

IMPORTS OF CANADIAN SEED POTATOES

The United States Commissioner of Customs announced on October 18 that preliminary reports from Collectors of Customs show total importations of 35,448,574 pounds (590,809 bushels) of white or Irish certified seed potatoes under the quota provisions of the Canadian Trade Agreement, during the period December 1, 1937, to October 15, 1938. The total quota allotted to Canada is 750,000 bushels of 60 pounds each for the 12-month period beginning December 1. The rates from December 1 to the end of February are reduced from 75 cents to 60 cents per 100 pounds and for the period March 1 to November 30 they are reduced to 45 cents per 100 pounds. The total so far shipped represents 78.8 per cent of the quantity allowable under the reduced rates.

FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING OCT. 24, 1938

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, October 24, 1938, and for the week ending Monday, October 17, 1938, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending Oct. 17	Nominal Quotations in Montreal Week ending Oct. 24	Official Bank Rate
Austria	Schilling	.1407	.....	.....	—
Belgium	Belga	.1001	\$.1716	¢ .1706	3
Bulgaria	Lev	.0072	.0125	.0126	6
Czechoslovakia	Koruna	.0296	.0349	.0347	3
Denmark	Krone	.2680	.2149	.2144	4
Finland	Markka	.0252	.0212	.0212	4
France	Franc	.0392	.0269	.0268	3
Germany	Reichsmark	.2382	.4065	.4043	4
Great Britain	Pound	4.8666	4.8143	4.8037	2
Greece	Drachma	.0130	.0088	.0088	6
Holland	Guilder	.4020	.5523	.5486	2
Hungary	Pengo	.1749	.3009	.2993	4
	Unofficial		.1993	.1982	—
Italy	Lira	.0526	.0536	.0531	4½
Yugoslavia	Dinar	.0176	.0231	.0230	5
Norway	Krone	.2680	.2419	.2413	1½
Poland	Zloty	.1122	.1908	.1897	4½
Portugal	Escudo	.0442	.0436	.0435	4-4½
Roumania	Leu	.0060	.0074	.0074	3½
Spain	Peseta	.1930	.0516	.0515	5
Sweden	Krona	.2680	.2480	.2474	2½
Switzerland	Franc	.1930	.2300	.2291	1½
United States	Dollar	1.0000	1.0150	1.0093	1
Mexico	Peso	.4985	.1998	.1997	3
Cuba	Peso	1.0000	1.0140	1.0084	—
Guadeloupe	Franc	.0392	.0269	.0268	—
Jamaica	Pound	4.8666	4.8245	4.8134	—
Martinique	Franc	.0392	.0269	.0268	—
Other British West Indies	Dollar	1.0138	1.0030	1.0007	—
Argentina	Peso (Paper)	.4245	.3210	.3204	3½
	Unofficial		.2543	.2534	—
Brazil	Milreis (Paper)	.1193	.0594	.0591	—
British Guiana	Dollar	1.0138	1.0030	1.0007	—
Chile	Peso	.1217	.0526	.0523	3-4
	Unofficial		.0406	.0404	—
Colombia	Peso	.9733	.5792	.5785	4
Peru	Sol	.2800	.2030	.2019	6
Venezuela	Bolivar	.1930	.3147	.3129	—
Uruguay	Peso	1.0342	.6330	.6320	—
South Africa	Pound	4.8666	4.8084	4.7975	3½
Egypt	Pound (100 Piastres)	4.9431	4.9329	4.9250	—
China (Shanghai)	Dollar	.....	.1596	.1620	—
Hongkong	Dollar	.....	.2979	.2981	—
India	Ruppee	.3650	.3599	.3588	3
Japan	Yen	.4985	.2807	.2800	3.29
Java	Guilder	.4020	.5524	.5487	—
Siam	Baht (Tical)	.4424	.4415	.4400	—
Straits Settlements	Dollar	.5678	.5605	.5588	—
Australia	Pound	4.8666	3.8515	3.8425	3
New Zealand	Pound	4.8666	3.8826	3.8737	2

The Dominion Bureau of Statistics has supplied the following note:—

Foreign exchange markets moved in a narrow groove during the week ended October 24. After a strong opening on October 18 the pound moved slightly higher on the following day, due principally to continued short covering. It reacted moderately on October 20, however, and moved down to \$4.8033 on October 24, off approximately 1½ cent from the opening day. Movements of continental European currencies were broadly similar to those for sterling. Bullion moved on a smaller scale from London during the past week, as the price for gold permitted practically no profit margin. United States Treasury officials, however, stated that their gold supplies had now reached \$14,000,000,000, which was said to represent over 55 per cent of the world's monetary supply. Premiums on United States funds turned reactionary following a strong opening. The premium on the United States dollar after opening at 1½ per cent over the Canadian dollar receded to 1½ of 1 per cent on October 21, where it remained for the balance of the week.

TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

Secretary, Board of Trade—

Saint John, N.B.

Halifax, N.S.

Quebec, P.Q.

Montreal, P.Q.

Toronto, Ont.

Chatham, Ont.

Kitchener, Ont.

Brantford, Ont.

Stratford, Ont.

Woodstock, Ont.

St. Mary's, Ont.

Portage la Prairie, Man.

St. Boniface, Man.

Winnipeg, Man.

Vancouver, B.C.

New Westminster, B.C.

Secretary, Chamber of Commerce—

Sherbrooke, P.Q.

Kingston, Ont.

Oshawa, Ont.

Belleville, Ont.

Peterborough, Ont.

London, Ont.

St. Catharines, Ont.

Hamilton, Ont.

Victoria, B.C.

Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.—

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

Secretary, Canadian Manufacturers Association—

Secretary Canadian Manufacturers Association—

Toronto, Ont.

Montreal, P.Q.

Winnipeg, Man.

Edmonton, Alta.

Vancouver, B.C.

Victoria, B.C.

Director, Trade Extension, Victoria, B.C.

Commodity	No.	Location of Inquirer	Purchase or Agency
Foodstuffs and Feedstuffs—			
Coffee Substitute.....	531	Singapore, Straits Settlements.....	Agency.
Hay.....	532	Porth, South Wales.....	Purchase.
Miscellaneous—			
Ladies' Dresses.....	533	Glasgow, Scotland.....	Purchase.
Ladies' Underwear (Cotton).....	534	Glasgow, Scotland.....	Purchase.
Screws.....	535	Walsall, England.....	Purchase.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Montreal

To Liverpool.—Duchess of Richmond, Nov. 4; Duchess of York, Nov. 11; Duchess of Atholl, Nov. 18; Duchess of Bedford, Nov. 25; Montrose, Nov. 25—all Canadian Pacific; Andania, Nov. 4; Antonia, Nov. 18—both Cunard-White Star Line; Svaneffjell, Fjell Line, Nov. 19.

To London.—Beaverhill, Nov. 4; Beaverburn, Nov. 11; Beavertale, Nov. 18; Beaverford, Nov. 25—all Canadian Pacific; Alaunia, Nov. 4; Aurania, Nov. 11; Ascania, Nov. 18; Ausonia, Nov. 25—all Cunard-White Star Line; Tindeffjell, Nov. 2; Ravneffjell, Nov. 16—both Fjell Line.

To Manchester.—Manchester Regiment, Nov. 3; Manchester Port, Nov. 10; Manchester Commerce, Nov. 17; Manchester Progress, Nov. 24; Manchester Citizen, Nov. 28—all Manchester Line; Svaneffjell, Fjell Line, Nov. 19.

To Southampton.—Duchess of Richmond, Canadian Pacific, Nov. 24.

To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.—Boston City, Nov. 4; Bristol City, Nov. 23—both Bristol City and Dominion Lines; Dorelian, Cunard-Donaldson and Dominion Lines, Nov. 12.

To Glasgow.—Sulairia, Nov. 4; Athenia, Nov. 11; Delilian, Nov. 18; Letitia, Nov. 25—all Donaldson-Atlantic Line.

To Newcastle and Leith.—Cairnesk, Nov. 2; Cairnmona, Nov. 9; Cairnross (also calls at Dundee), Nov. 16; Cairnvalona, Nov. 23; Cairnglen, Nov. 30—all Cairn-Thomson Line.

To Aberdeen and Hull.—Kelso, Nov. 10; Consuelo, Nov. 29—both Ellerman's Wilson Line.

To Dublin and Belfast.—Kenbane Head, Nov. 6; Fanad Head (does not call at Dublin), Nov. 17; Melmore Head, Nov. 21—all Head Line (cargo accepted for Cork and Londonderry).

To Hamburg and Bremen.—Beaverford, Canadian Pacific, Nov. 25 (does not call at Bremen); Bochum, Hamburg-American Line, Nov. 18.

To Norwegian Ports.—Svanefjell, Fjell Line, Nov. 19; Randsfjord, Nov. 5; Norefjord, Nov. 14; Topdalsfjord, Nov. 20—all Norwegian-American Line.

To Antwerp and Havre.—Beaverdale, Canadian Pacific, Nov. 18 (does not call at Havre); Hada County (does not call at Havre), Nov. 2; Brant County, Nov. 13; August, Nov. 29—all County Line; Tindefjell, Nov. 2; Ravnefjell, Nov. 16—both Fjell Line (do not call at Havre).

To Rotterdam.—Lista, Nov. 6; Grey County, Nov. 23—both County Line; Tindefjell, Nov. 2; Ravnefjell, Nov. 16—both Fjell Line.

To Marseilles, Genoa, Leghorn, Naples, Messina, Palermo, Gibraltar and Lisbon.—Capo Olmo, Nov. 5; Capo Noli, Nov. 24—both Capo Line (will also call at Cadiz and/or Seville and/or Casablanca if sufficient cargo offers).

To St. John's, Nfld.—Imogene (calls at St. John's only), Nov. 2 and 18; Bencas (also calls at Harbour Grace, Bay Roberts, Carbonear, and Port Union), Nov. 10 or 11; Anna (also calls at Bay Roberts, Harbour Grace, Carbonear and Port Union), Nov. 22—all Shaw Line (will call at other Newfoundland ports as cargo offerings warrant); Belle Isle, Newfoundland-Canada SS. Ltd., Nov. 4, 18 and 28 (also calls at St. Pierre-Miquelon).

To Cornerbrook, Nfld.—Gaspesia, Nov. 2 and 16; New Northland, Nov. 8—both Clarke SS. Co.

To Puerto Rico, Barbados, Trinidad and Demerara.—Colborne, Nov. 10; Cornwallis, Nov. 24—both Canadian National (call at Guadeloupe and Martinique if sufficient cargo offers).

To Hamilton, Nassau, Kingston and Belize.—Cavelier (calls at Kingston only), Nov. 4; Lady Somers, Nov. 9; Cathcart (calls at Kingston only), Nov. 18; Lady Rodney, Nov. 23—all Canadian National.

To Bermuda, St. Kitts, Antigua, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Ary Lensen, Nov. 7; Lyndby, Nov. 23—both Ocean Dominion SS. Corp. (call at Guadeloupe and Martinique if sufficient cargo offered).

To Santos and Buenos Aires.—Chr. Sass, International Freighting Corp., Nov. 7 (will call at Rio de Janeiro if sufficient cargo offered).

To Brisbane, Sydney, Melbourne and Adelaide.—City of Delhi, Oct. 30; Port Montreal, Nov. 25—both Montreal Australia New Zealand Line (will also call at Geelong).

To Auckland, Wellington, Lyttelton and Dunedin.—Port Saint John, Montreal Australia New Zealand Line, Nov. 21.

To Cape Town, Port Elizabeth, East London and Durban.—Cochrane (also calls at Free-town, Lourenco Marques and Beira), Nov. 1; Biafra, Nov. 15; Calgary (also calls at Free-town, Lourenco Marques and Beira), Nov. 25—all Elder Dempster Lines Ltd.

To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Madras, Rangoon, Calcutta and Singapore.—A steamer, Canada-India Service, Nov. 15.

To Straits Settlements and Dutch East Indies Ports.—Weltevreden, Blue Funnel Line, Nov. 10.

From Quebec

To Liverpool.—Montrose, Canadian Pacific, Nov. 29.

To Southampton.—Empress of Britain, Canadian Pacific, Nov. 5.

From Halifax

To Liverpool.—Nova Scotia, Nov. 12; Newfoundland, Nov. 29—both Furness Line; Manchester Brigade, Oct. 31; Manchester Exporter, Nov. 22—both Manchester Line; Montclare, Dec. 3; Duchess of York, Dec. 10—both Canadian Pacific.

To London.—Binnendijk, Nov. 2; Tiradentes, Nov. 13; a steamer, Nov. 25—all Holland-America Line (also call at Rotterdam); Beaverbrae, Dec. 2; Beaverburn, Dec. 9—both Canadian Pacific.

To Manchester.—Manchester City, Oct. 30; Manchester Regiment, Nov. 6; Manchester Port, Nov. 13; Manchester Commerce, Nov. 20; Manchester Progress, Nov. 27—all Manchester Line.

To Newcastle and Leith.—Cairnesk, Nov. 5; Cairnross, Nov. 19—both Cairn-Thomson Line.

To Cardiff, Bristol and Swansea.—Toronto City, Nov. 3; Montreal City, Nov. 22—both Bristol City and Dominion Lines.

To Newcastle, Aberdeen and Hull.—Gitano, Oct. 31; Kyno, Nov. 23—both Ellerman's Wilson Line.

To St. John's, Nfld.—Fort Amherst, Oct. 31 and Nov. 14; Fort Townshend, Nov. 7 and 21—both Furness-Red Cross Line (also call at St. Pierre); Magnhild (also calls at St. Pierre and Newfoundland outports), Newfoundland-Canada SS. Ltd., Oct. 31, Nov. 14 and 28; Portia, Newfoundland Ry. and SS. Co., Nov. 9; Nova Scotia, Nov. 12; Newfoundland, Nov. 29—both Furness Line.

To Kingston, Jamaica.—Cavelier, Nov. 7; Cathcart, Nov. 21—both Canadian National.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Hawkins, Nov. 3; Lady Drake, Nov. 17; Lady Nelson, Dec. 1—all Canadian National; Ary Lensen, Nov. 12; Lundby, Nov. 28—both Ocean Dominion SS. Corp. (call at Guadeloupe and Martinique if sufficient cargo offered but not at Nevis or Montserrat).

To Puerto Rico, Barbados, Trinidad and Demerara.—Chomedy, Oct. 31; Colborne, Nov. 14; Cornwallis, Nov. 28—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To Santiago (Cuba) and Kingston (Jamaica).—Lillemor, Nov. 2 and 30; Kirsten B, Nov. 16—both Pickford & Black Ltd. (also call at Jamaican outports as cargo offers).

To Far East Ports.—Silveryew, Nov. 3; Silverwalnut, Dec. 3—both Silver Line; Javanese Prince, Furness-Prince Line, Nov. 21.

From Saint John

To Liverpool.—Manchester Brigade, Manchester Line, Oct. 31.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Drake, Nov. 9; Lady Nelson, Nov. 23; Lady Hawkins, Dec. 7—all Canadian National.

To Kingston and Jamaican Outports.—Metapan, Nov. 11; Carrillo, Nov. 25; a steamer, Dec. 9—all United Fruit Co. (cargo accepted for Caribbean, Central and South American ports with transshipment at Kingston).

From Vancouver

To Yokohama, Kobe and Osaka.—Hikawa Maru, Nov. 19; Hie Maru, Dec. 3; Heian Maru, Dec. 22—all Nippon Yusen Kaisha.

To Yokohama, Kobe, Shanghai, Hongkong and Manila.—Empress of Canada (calls at Honolulu), Nov. 12; Empress of Russia (calls at Nagasaki), Nov. 26; Empress of Japan (calls at Honolulu), Dec. 10; Empress of Asia (calls at Nagasaki), Dec. 24—all Canadian Pacific; Ixion, Nov. 3; Talthybius, Dec. 3—both Blue Funnel Line (call at Miike but not at Manila).

To Shanghai.—Ernebank (also calls at Tsingtao), about Nov. 12; Queen Victoria, December—both North Pacific Shipping Co. Ltd.

To Honolulu, Suva, Auckland and Sydney.—Aorangi, Nov. 23; Niagara, Dec. 21—both Canadian-Australasian Line.

To Manila, Iloilo, Cebu, Soerabaya, Samarang, Batavia, Colombo and Bombay.—Hoegh Silverlight (calls at Saigon, Singapore and Persian Gulf ports, also at Port Swettenham and Belawan Deli if cargo offers), Nov. 1; Silverbeach (calls at Belawan Deli, also at Singapore, Port Swettenham and Penang if cargo offers), Nov. 25; Hoegh Silvercrest (calls at Saigon, Singapore and Persian Gulf ports, also at Port Swettenham, Belawan Deli and Penang if cargo offers), Dec. 1—all Silver-Java Pacific Line.

To Papeete, Auckland, Wellington, Melbourne and Sydney.—Limerick (also calls at Lyttelton), Nov. 1; Hauraki, Nov. 29—both Canadian-Australasian Line.

To Brisbane, Sydney, Melbourne and Adelaide.—Eknaren, Nov. 23; a steamer, December—both Empire Shipping Co. Ltd.

To London, Liverpool and Rotterdam.—A steamer, North Pacific Coast Line, Nov. 12 (will call at Southampton if inducements offer).

To Antwerp, Hamburg and Bremen.—Weser, Nov. 1; Donau, Nov. 29; Este, Dec. 18—all North German Lloyd Line; Oakland, Nov. 1; Seattle, Dec. 11—both Hamburg-American Line.

To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.—Barfleur, Oct. 31; San Francisco, Oct. 31; Oregon, Nov. 13; San Antonia, Nov. 21—all Empire Shipping Co. Ltd.

To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.—Rialto, Nov. 6; Cellina, Dec. 4—both Empire Shipping Co. Ltd.

To Port of Spain (Trinidad) and Bridgetown (Barbados).—A steamer, Canadian Transport Co., November.

To Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques and Beira.—Modjokerto, Nov. 5; Silverpalm, Dec. 6—both Silver-Java Pacific Line (call at Beira and Calcutta, will also call at Colombo and Madras if sufficient cargo offers); Ousebridge, North Pacific Shipping Co. Ltd., about Nov. 18 (does not call at East London).

To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.—Evanger, Nov. 28; Brandanger, Dec. 27—both Empire Shipping Co. Ltd. (will call at West Coast ports if sufficient cargo offered).

COMMERCIAL INTELLIGENCE SERVICE

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London: W. B. GORNALL. Fruit Trade Commissioner, Aldine House, Bedford Street, Strand, W.C.2. *Cable address, Canfrucum.* (Territory—for fresh fruit only—includes United Kingdom, Norway, Denmark, Sweden, France, Holland, Belgium, and Germany.)

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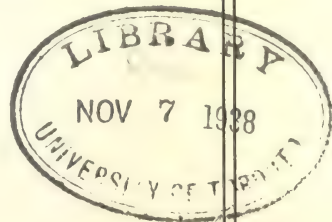
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Ottawa, November 5, 1938

No. 1814



Unloading Canadian Apples at Antwerp, Belgium



ISSUED BY AUTHORITY OF
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE
JAMES G. PARMELEE, DEPUTY MINISTER

CONTENTS

	Page
Mr. Tureot to Visit Greece, Turkey, Bulgaria, and Roumania..	793
Business Conditions in South Africa: July to September.....	793
United Kingdom Market for Canned Fruits and Vegetables:	
III. North of England Market.....	795
IV. Scottish Market	798
Canned Salmon Prices in the West of England.....	800
Summary of the Trade of Canada: September.....	801
Trade Commissioners on Tour.....	802
Import Trade of Finland in 1937.....	802
Italian Wheat Crop, 1938.....	804
Wheat and Flour Trade Regulation in Greece.....	804
Economic Conditions in Cuba, January to June.....	807
Argentine Grain Acreage, 1938.....	809
Foreign Trade of Brazil in 1937.....	809
Japan's 1933 Rice Crop Estimate.....	815
Japan's Adverse Trade Balance.....	815
Tenders Invited: New Zealand.....	816
Tariff Changes and Customs Regulations.....	816
Foreign Exchange Quotations.....	819
Trade Inquiries for Canadian Products.....	820
Proposed Sailings from Canadian Ports.....	820
Commercial Intelligence Service	823

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Vol. LIX

Ottawa, November 5, 1938

No. 1814

MR. TURCOT TO VISIT GREECE, TURKEY, BULGARIA, AND ROUMANIA

Mr. Henri Turcot, Canadian Trade Commissioner at Cairo, Egypt, plans to leave towards the end of November on a visit to Greece, Turkey, Bulgaria, and Roumania in the interests of Canadian trade with those countries.

Canadian firms wishing to have the Trade Commissioner conduct investigations in their behalf or to perform other services should communicate with him at once (address for letters: P.O. Box 1770, Cairo).

BUSINESS CONDITIONS IN SOUTH AFRICA: JULY TO SEPTEMBER

G. R. HEASMAN, CANADIAN TRADE COMMISSIONER

Cape Town, October 14, 1938.—The month of July in South Africa saw very quiet business conditions, as far as retail and wholesale business was concerned, but during August business picked up considerably and probably would have been maintained throughout September if it had not been for the unsettling influence of the European situation. Even in this respect, however, the effect varied greatly, depending upon the nature of the business involved. Many firms, for instance, fearing a rise in price and difficulty in obtaining supplies if a war had been declared, rushed to place orders. On the other hand, wool sales were adversely affected by lack of buyers and export shipments generally by the high marine insurance rates. Confidence has now returned and there is a general feeling that business will again pick up. Wool prices have improved during the last week, and with a bumper wheat crop expected good sales of agricultural implements are anticipated. Manufacturers' representatives booking orders for overseas principals, however, do not anticipate any substantial increase in business until the turn of the new year.

REVENUE AND TRADE

Government revenue for the first six months of the fiscal year was well maintained on the whole, considering the decline in imports. It amounted to £19,392,480 as compared with £20,167,351 in the first half of 1937. Expenditure on revenue account, however, amounted to £22,350,308, whereas during the same period last year it equalled approximately the amount of revenue. Unless the latter increases considerably, or unless expenditure is curtailed during the last six months of the fiscal year, a deficit is likely to result for the first time in five years.

Railway earnings have also fallen, showing a decline of £195,000 for the three months of the fiscal year ending June 30 as compared with the same period of 1937; while expenditure has increased by £631,957 during the same period compared with 1937. Nevertheless, the railways are able to show a

surplus on operating account for the period in question of £739,000, which must be considered very satisfactory.

The fifth German Barter Agreement was concluded recently, involving an exchange of South African products valued at £6,355,000. The success of these barter agreements may be judged from the fact that the value of South African products involved has increased with each new agreement from the first Barter Agreement in 1934 of £2,850,000.

Imports for the eight months ending last August were valued at £63,718,000 as compared with £67,301,000 in 1937. Exports also show a heavy decline for the eight months ending August, amounting to £70,004,000 as compared with £82,437,000 for the similar period in 1937. While practically all exports showed a decline, the heaviest decrease was in bullion. This was not due to lessened production but to the retention of a higher proportion of the gold production in the country.

The output of gold during the month of August created an all-time record. Production for the eight months ending August totalled 8,025,891 fine ounces valued at £56,214,774 compared with 7,800,357 fine ounces valued at £54,793,600 for the same period in 1937.

AGRICULTURE

Conditions generally throughout the Union in the agricultural industry must be considered as good, notwithstanding the fact that maize prices have weakened, necessitating an increased levy on all sales of maize by the Maize Control Board of 6d., or a total levy of 1s. 6d., and the granting of a subsidy of 3s. 3d. on each bag of 200 pounds exported. The final estimate of the maize crop has now been received and is placed at 18,156,000 bags. It was at first anticipated that there would be available for export approximately 3,000,000 bags, but exports are not likely now to exceed 2,000,000 bags, as a larger quantity is being retained owing to drought in certain areas and the possibility of a food shortage in native territories.

There has been a good wool clip, estimated at 802,000 bales, which compares with 747,200 bales during the previous season. A good deciduous fruit season is in prospect. There has been a good sugar harvest. Live stock generally throughout the country is in good condition. Exports of citrus fruits up to the end of August amounted to 131,000 tons, which is about 11,000 tons less than for the corresponding period of 1937. Prices have shown a slight improvement.

MANUFACTURING INDUSTRIES

Clothing factories on the whole are operating on a normal basis; some are working short hours but others are working to capacity. The boot and shoe industry has been busy with summer production, and many factories are still at work completing the last orders for summer supplies. A slack period is anticipated throughout the industry for the next few months. Furniture factories are quiet and there has been considerable agitation against imports of furniture from Southern Europe. Foodstuffs factories are well employed, but the motor car industry is quiet for this time of year and much below the rate of turnover for this time last year. The South African Iron & Steel Industrial Corporation Limited completed its fourth year of operation on June 30. It showed a net manufacturing and trading profit of £1,236,122, which compares with £666,279 and £435,665 for the years 1937 and 1936, respectively. The increased profit was due to higher production, the plant during most of the year working to capacity, and to a higher price for steel. This iron and steel industry, in which the state is interested, must be considered up to date an outstanding success.

CONSTRUCTION

Building plans passed in the Union of South Africa reached a record height in 1937 with a value of £2,250,000. Their value then declined rapidly but

recovered to the level of £1,900,000 in February, 1938. From that month there was a decline to £1,475,000 in July. The greatest drop has occurred in the city of Johannesburg. Building activity has been well maintained in Durban, Port Elizabeth, and especially in Cape Town, where a considerably larger number of private homes is being erected to-day than even during the early months of 1937 when building plans reached their height. The falling-off has been in the construction of large office buildings.

Stocks of timber are not considered to be excessive at any of the ports. Representatives of Pacific Coast exporters believe that imports of Baltic timber this year will be less than for 1937, and expect that their own sales will be well maintained during the balance of the year.

The dredging and reclamation work in connection with the huge Cape Town harbour scheme is well under way and good progress has been made to date.

The cost of living index figure (on the base 1914 equals 1,000), which had risen to 1,235 in May, dropped to 1,227 in August. This figure is still considerably higher than the average of 1,186 for 1937.

UNITED KINGDOM MARKET FOR CANNED FRUITS AND VEGETABLES

III. North of England Market

C. B. BIRKETT, ASSISTANT TRADE COMMISSIONER, LIVERPOOL

The consumption of canned goods in the North of England has grown considerably in the past few years and continues to increase. The opposition which ruled against this form of food distribution ten years ago has shrunk to the vanishing point. The extensive advertising carried on, continually bringing the virtues of canned foods to the attention of the public, has been an important factor in increasing the consumption. Another factor has been the gradual change in living habits. A large section of the public nowadays is made up of small families, living in small flats and houses, with the housewife spending a minimum of time in her kitchen. Canned foods readily commend themselves under such conditions.

The greatest source of supply for the North of England market is the United States. Australia and Canada, the next two countries in importance, however, have made considerable inroads in recent years. This has been the direct result of energetic sales efforts, the tariff preference, and improvement in the quality and pack of the goods offered.

1937-38 SEASON

The market for canned fruits and vegetables during the past season is referred to by the majority of merchants and brokers as disappointing when compared with that of 1936-37. Soon after June last year business began to slacken and this decline continued throughout the autumn and winter. Consumer demand fell off considerably, particularly after October, and little or no improvement was reported until the summer months, when a slight quickening was noticed. Actual receipts from overseas since the first of the year, however, have been well up to average. Bad weather conditions undoubtedly have been responsible in a large measure for the absence of the brisk demand for canned goods usually expected in May, June, and July.

While the total business done in the North of England throughout the past season suffers slightly in comparison with that done in 1936 and 1937, the sales of Canadian and Australian canned fruits and vegetables compare favourably with the previous season. Shipments of Canadian apples, pears, and peaches appear to have been fully up to average, if not slightly better. In tomatoes

Canada further improved the good position gained during the 1936-37 season, although during the last few months the movement in this article has been slow and uncertain. Prices of the new pack Italian tomatoes are lower than last year and buyers are hesitant. Australia carried on her method of marketing through the Fruit Board and, in spite of opening the season with high prices, met a good demand principally for pears, peaches, and apricots.

The trade in Californian canned fruits and vegetables in the North of England was regarded as a little disappointing, although it was of the usual large proportions. A large carry-over of peaches and apricots had a lowering effect on new pack prices. This fact is of importance when considering the prospects for the Canadian pack during the coming season. Indications are that they are not so bright as last year.

CANADIAN AND AUSTRALIAN GAIN

The most important development during recent years has been a notable increase in the sale of Canadian and Australian pears—a trade in which Canada has never figured prominently. In the case of Australian pears, the increase undoubtedly is due to a large extent to the marketing scheme introduced by the Australian Canned Fruits Control Board, whereby a reduction in price was offered on orders of 5,000 cases or more. A factor affecting the sale of pears from both countries is the decided preference which exists for pears when the price is on a level with that of peaches. Australian pears are of the Bartlett variety and compete very favourably with the Californian in the Standard and lower grades, but California continues to dominate the market for the high-grade article.

NOTES ON IMPORTANT COMMODITIES

The order of importance of commodities is roughly as follows: pears, peaches, pineapples, fruit salad, grapefruit, apricots, apples, and loganberries for fruits; tomatoes, peas, beans, and asparagus for vegetables. Those of special interest to Canada are dealt with separately in the following notes. Prices where given were those effective in mid-August.

CANNED FRUITS

Peaches.—Owing to a large carry-over in California the quotations on the new pack from that source are considerably lower than last year. Choice 2½'s are offered at 6s. 7½d. per dozen duty paid; Standards at 6s. 3d. duty paid. Australian old pack for shipment is well cleared, with spot offerings for Standards at 7s. 2d. per dozen landed. Prices on the new Canadian pack are not yet available. Some business in the old has been done at 8s. 3d. per dozen for 2½'s. It is reported that there has been no great hurry to take advantage of the low Californian prices. Australia and California will meet most of the demand again this season, the former country figuring prominently in the low-grade market. Canadian peaches are highly regarded but their high price does not permit of large sales.

Pears.—The market is fairly well cleared of Australian old pack, which are quoted at 7s. 6½d. landed for 2½'s Standard quality. New pack Californian are offered as follows: Choice 2½'s 7s. 10½d. per dozen landed, duty paid, and Standards 7s. 3d. Another good crop is expected in California and with an unimportant carry-over the offerings will be about the same as last year. Canadian Kieffers are quoted at about 6s. duty paid for 2½'s. It is expected that Canadian pears will maintain their improved position in this market. The bulk of the business, however, as usual will go to the Bartletts from Australia and California.

Apples.—Canadian apples have done very well in this market during the past season. Stocks are well cleared and the prospects for the new crop are bright. British Columbia apples are quoted at around 19s. Choice quality, Ontario at 18s. 1d., and Nova Scotia at 16s. Oregon prices opened at about 15s. 6d., plus duty, fell to 15s., and are now around 14s. 6d. Oregon old pack can be purchased at 14s. plus duty.

Loganberries.—Canadian loganberries did not do so well last season as in the previous two, owing to more severe competition from the Oregon and English packers. Oregon new crop opened at 5s. 9d. and 5s. 5½d., plus duty, for Fancy and Choice qualities, and have since stiffened to 6s. 2½d. and 5s. 8d., respectively. British Columbia Choice new crop are offered at around 6s. 9d. c.i.f. All stocks of old crop imported loganberries are well cleared. English packers are offering best quality 2's at 8s. 4½d. and 1's at 6s. 7½d.

CANNED VEGETABLES

Tomatoes.—Canadian suppliers further improved their position during the past season in the North of England market, which is generally regarded as the most exacting for tomatoes in the United Kingdom. In the absence of supplies from Spain, Italy and Canada again shared in meeting the demand, with Italy doing the bulk of the trade. After a short period of rather high prices at the opening of last season, slightly lower levels were established and prices remained fairly steady at these levels throughout the year. A fair supply of Canadian old pack still remains unsold, causing some price reduction and disturbance to the market. Supplies of Italian old pack are reported as light and the spot price for first grade 3's remains at 4s. 9d. plus duty per dozen. New crop Italians are quoted at present at 4s. 3d. to 4s. 6d. plus duty per dozen for 3's, 3s. 9d. to 4s. for 2½'s, 2s. 6d. for 600 gram tall, and 1s. 5½d. for ¼-kilo (250 grams approximately). Canadian new pack are offered as follows: Choice 2½'s, 3s. 9½d. to 3s. 10½d. c.i.f. Canadian old crop are offered at 4s. Even at these lower prices buyers are hesitant and are awaiting developments. Brokers believe the Italian prices will stiffen, but this opinion is not altogether accepted by the trade. It is reasonable to suggest, however, that Canadian shippers should not be in a hurry to offer their goods at lower prices in the face of the reduced Italian quotations. While business in tomatoes at the moment is rather slow and uncertain, a steady improvement is expected to follow the clearing up of the present supply position.

Comparisons are still drawn between the Canadian and Italian types of tomatoes, the consensus of opinion still being in favour of the small Italian plum tomato in the solid pack. It should be said, however, that the softer Canadian pack is well liked for its flavour and the extra juice provided. It is especially popular with the mining community in the North of England.

With regard to tomato products such as puree, ketchup, soup, etc., the relative positions of the supplying countries remain the same. Canada is by far the greatest source of supply of these products, Italy and the United States making a poor second and third respectively.

Beans with Pork.—Good-quality American brands are quoted at 2s. per dozen 1's, plus duty, or approximately 2s. 6d. duty paid. About 70 per cent of the trade, however, goes to a well-known English pack and an American brand put up in this country at prices from 2s. to 2s. 6d. per dozen 16-ounce tins. The rest of the business is shared by American and Canadian suppliers. Canadian beans are well liked and the limited demand for them to-day shows no signs of lessening.

Asparagus.—It has been a rather poor season for asparagus in the North of England market. The relative positions of the Canadian and United States

shippers remain much the same. A feature has been the tendency for the rather limited demand to be confined to tips rather than to the large stems.

Peas.—Canadian peas, while they suffer in competition with the English brands, are in fair demand. They are of good quality and taste and on this basis are well regarded by the better-class shops. There is a considerable carry-over of English peas this year and prices are lower.

Corn.—Canned sweet corn and corn on the cob are making slow progress in the North of England market. Expansion in sales, however, is looked for as the public gradually develops a taste for corn. In sweet corn the preference seems to be for the United States brands, while in cobs it is for the Canadian.

IV. Scottish Market

G. B. JOHNSON, CANADIAN TRADE COMMISSIONER, GLASGOW

Canadian canned products were well received last season in Scotland, as they have been for many years. The main opposition on the whole was, as usual, from Californian packers. Imports of Californian canned fruits over their entire range are reported to have been greater last season than they have ever been. This does not apply, however, to the fruits in which Canada is mainly interested—apples, pears, and peaches—as there has been a slight decrease in arrivals of apples and a heavy decline in pears and peaches. The following table shows the quantities of canned fruits of chief interest to Canadian exporters which were imported into Scotland from Canada, the United States, and Australia in the years 1934 to 1937 inclusive:—

	1937	1936	1935	1934
Canada—		Figures in	Cases	
Apples	53,409	42,930	46,479	49,027
Loganberries	365	329	508	1,461
Peaches	3,603	1,150	2,645	350
Pears	38,088	31,866	29,373	24,140
United States—				
Apples	89,986	92,262	95,069	85,997
Loganberries	202	1,088	455	549
Peaches	79,137	95,053	80,195	103,340
Pears	122,292	161,585	130,075	170,578
Australia—				
Apples	10	.....	100	250
Loganberries . . . . .	.....	.....	.....	.....
Peaches	24,216	15,015	18,948	18,277
Pears	41,794	14,715	20,988	23,439

There are no statistics available regarding the imports into Scotland of canned vegetables.

The general development of the Californian trade, it may be remarked, has occurred in spite of the British import duties on non-Empire products. While it may have been partly due to the increased consumption of canned fruits in Scotland, it has been assisted by the more favourable prices prevailing for Californian.

In the early part of 1938 the Australian pack, which has improved in quality, came on the market at low prices and enjoyed a decided increase of sales. It should be borne in mind that Australia possesses an important exchange advantage in the British market because of the 25 per cent depreciation of the Australian currency as against sterling. South African packers were not able to

meet Australian competition and did not ship to this market except in small quantities.

Comments are appended on the products of prime importance to Canadian exporters although, because of market fluctuations, prices are omitted.

NOTES ON IMPORTANT COMMODITIES

In the following notes the market conditions and opportunities for the canned fruits and vegetables of leading interest to Canadian exporters are discussed.

CANNED FRUITS

In those fruits in which Canada is most interested—apples, pears, and peaches—saturation point has not yet been reached, and it is probably safe to say that in the next five or six years the Canadian trade in these lines in Scotland may increase very considerably, provided there is no decline in publicity for them and that prices are competitive.

Apples.—These are used almost exclusively by the baking trade. The apples are packed in gallon or No. 10 tins containing 100 ounces, of which 94 or 96 ounces are solid fruit and the balance juice which results from the pressure during packing. The solid pack is now universally in demand. A firm, tart apple is required, and the best varieties appear to be Baldwin, Spy, Greening, Yellow Newtown, and Jonathan. Generally speaking, there is room for improvement in the peeling, coring, and quartering, as compared with the United States product, but the British Columbia article is considered by critical buyers equal to the best.

Pears.—Bartlett pears are strongly preferred here. The uniform shape, white colour, and small number of grit cells of this variety make them popular. The Kieffer is not in much demand as its texture is not so good and its flavour inferior to that of the Bartlett. Next to canned apples, Canadian Bartlett pears are the most important of all canned fruits shipped to Scotland from Canada.

Peaches.—Canadian peaches have gained a little in popularity and among epicures are considered the best-flavoured peaches on the market. There is, however, a decided preference for the cling-stone variety canned in California over the free-stone kinds produced in Canada, as the cling-stone peach retains its firmness after processing much better and the juice remains clear in contrast with the "cloudy" appearance of Canadian peach juice. Unhappily, food products are sold as much on appearance as on flavour. As shown in the foregoing table of imports, California sells many times the quantity of canned peaches in Scotland that Canada sells. If the necessary quantities were available the remedy for this situation would seem to be firstly in lower prices and then in getting Canadian peaches into the homes of those who now buy other varieties by advertising. As Empire peaches come in free* and Californian are assessed at a duty of 15 per cent*, it should not be impossible to apply this remedy.

Other Canned Fruits.—The market in Scotland for Canadian canned loganberries has never been large and it appears to be declining as a result of competition from English firms canning English-grown loganberries at lower prices. The same competition applies to other small fruits such as strawberries, raspberries, cherries, and plums.

CANNED VEGETABLES

Peas.—Although canned peas of excellent quality are coming into Scotland from Canada, the English canners have made this trade their own. While the

* Added sugar content is subject to sugar duty in each case.

quality of English-grown peas is good and prices are reasonable, it is reported that the English canners bring in large quantities of dried peas from abroad, mainly Japan, to be processed here and canned. The prices of these are so low that the Canadian variety cannot compete.

Beans.—The English canning companies are also doing a major part of the business in this product, although Canadian and United States brands are on the market. Baked beans are more widely consumed than any other type of canned vegetable in this country and the trade is now dominated by the English canners.

Tomatoes.—In proportion to population Scotland consumes far less canned tomatoes than England. Italy and Spain for many years were the chief sources of supply, with Italy exporting what is considered to be the standard for this country. Spain is now off the market. The flavour of Canadian tomatoes is admittedly superior to all others. The objection to them on the part of the trade is that the tins contain too much juice in proportion to substance.

Merchants are experiencing a declining trade in peeled tomatoes, which they attribute to the growing popularity of proprietary brands of canned soup. However, an increased business in Canadian packs might be done, especially if the plum variety were available at competitive prices.

Tomato Puree.—There is a good market in Scotland for Canadian firms willing to supply tomato puree of the required degree of concentration and out of the best materials. Anything else would find no market. Hungary and Bulgaria are rapidly assuming an important place in this trade.

Other Canned Vegetables.—Corn on the cob is an article of diet little known in this country and so any taste for corn in tins has had to be developed. However, there is a growing demand in Scotland for canned corn, although the trade at present is not of large dimensions.

The sale of Canadian string beans in Scotland is very small.

Most of the asparagus sold in Scotland is of United States origin, although it is understood that Canadian asparagus is sold to some extent. The United States product is of the white variety and commands a ready market.

CANNED SALMON PRICES IN THE WEST OF ENGLAND

L. H. AUSMAN, ASSISTANT TRADE COMMISSIONER

Bristol, October 18, 1938.—The market in the West of England for pink salmon is quiet, and prices ex London for one Canadian pack are 25s. per case for 96/½'s flat and 18s. 6d. for 48/1's tall. Bristol dealers are asking 20s. 6d. per case on spot for supplies in stock here.

The Japanese position remains some shillings below these prices and consignments have been selling at 19s. per case ex wharf London for 96/½'s and 15s. 3d. to 15s. 4½d. for 48/1's. These prices are inclusive of duty. Stocks are comparatively light at the moment but arrivals are expected at the end of this month and early in November.

Canadian sockeye salmon, extra fancy grade, is being quoted at 58s. 6d. per case of 96/½'s ex Liverpool, while others are 53s. 6d. ex London. Japanese reds are on offer ex store Liverpool at 47s. to 48s. 6d., according to quality, for the same size. These cheaper offers appear to fill the requirements of the general trade in the West of England, and the business in Canadian salmon is relatively limited at the present time.

SUMMARY OF THE TRADE OF CANADA: MONTH, NINE MONTHS, AND TWELVE MONTHS ENDING SEPTEMBER, 1938
(Compiled by External Trade Branch, Dominion Bureau of Statistics)

Main Groups	Month of September, 1938				Nine Months ending September, 1938				Twelve Months ending September, 1938			
	Total Imports	From United Kingdom	From United States	Total Exports	Total Imports	From United Kingdom	From United States	Total Exports	Total Imports	From United Kingdom	From United States	Total Exports
<i>Imports for consumption</i>												
Agricultural and Vegetable Products.....	9,026,704	1,323,045	3,086,404	91,909,606	91,909,606	11,741,033	36,868,582	135,426,326	17,192,336			
Animals and Animal Products.....	1,916,475	3,416,192	901,125	19,126,047	19,126,047	3,415,095	8,327,132	4,734,763	4,734,763			
Fibres, Textiles and Textile Products.....	6,801,435	3,352,545	2,025,060	65,438,430	65,438,430	30,835,454	21,237,690	26,257,367	42,245,924			
Wood, Wood Products and Paper.....	2,786,410	3,339,435	2,215,165	23,842,435	23,842,435	17,266,624	19,662,321	37,132,570	3,705,793			
Iron and its Products.....	11,590,046	1,228,016	9,871,658	124,961,245	124,961,245	17,266,624	102,911,704	179,632,794	25,600,358			
Non-Ferrous Metals and their Products.....	3,310,213	339,582	1,903,648	29,332,731	29,332,731	4,204,031	18,605,282	42,122,956	6,180,546			
Non-Metallic Minerals and their Products.....	12,421,936	1,481,923	8,840,608	90,144,671	90,144,671	9,508,974	68,187,972	128,741,999	13,631,882			
Chemicals and Allied Products.....	3,077,511	685,319	1,800,659	24,432,208	24,432,208	4,706,935	16,468,933	35,130,337	7,094,141			
Miscellaneous Commodities.....	800,720		1,000,253	36,765,386	36,765,386	5,356,556	27,095,085	50,947,658	6,987,251			
Total Imports, 1938	56,411,727	10,014,786	34,705,180	505,932,759	505,932,759	89,631,868	319,414,751	721,831,051	127,072,999			
1937	70,240,465	12,584,717	41,551,197	593,018,033	593,018,033	109,850,420	391,452,699	777,342,504	143,390,991			
1936	52,982,972	10,905,743	29,985,176	450,896,373	450,896,373	89,430,693	265,304,130	595,144,908	121,082,350			
<i>Exports (Canadian Produce)</i>												
Agricultural and Vegetable Products.....	17,014,190	8,754,185	4,047,226	118,314,621	118,314,621	68,600,899	16,831,557	198,067,573	119,642,833			
Animals and Animal Products.....	10,610,668	7,122,292	2,362,122	84,333,343	84,333,343	53,084,529	20,666,062	118,683,696	74,299,064			
Fibres, Textiles and Textile Products.....	1,033,761	212,518	157,517	9,984,763	9,984,763	2,049,405	1,388,763	13,345,262	3,547,626			
Wood, Wood Products and Paper.....	18,985,083	3,240,248	12,947,347	153,672,263	153,672,263	28,501,573	100,231,979	223,191,165	41,947,595			
Iron and its Products.....	3,926,742	1,049,732	226,730	48,167,665	48,167,665	11,084,305	3,154,910	63,808,649	14,912,550			
Non-Ferrous Metals and their Products.....	51,091,749	7,545,213	38,391,909	186,544,218	186,544,218	68,696,163	79,241,280	253,882,935	98,711,385			
Non-Metallic Minerals and their Products.....	2,079,768	336,859	998,498	17,646,424	17,646,424	2,280,415	8,503,900	25,918,083	3,474,301			
Chemicals and Allied Products.....	1,295,003	398,263	301,098	14,627,734	14,627,734	3,521,036	6,255,392	10,399,507	4,941,552			
Miscellaneous Commodities.....	1,642,619	252,481	1,092,756	15,810,103	15,810,103	3,356,221	7,265,338	19,897,956	4,127,607			
Totals, 1938	107,639,583	28,911,791	60,525,203	649,101,136	649,101,136	242,374,546	243,589,241	936,192,826	305,604,513			
1937	94,151,927	33,189,307	43,995,883	823,100,461	823,100,461	281,370,508	369,709,874	1,153,144,873	417,131,805			
1936	88,894,179	37,164,971	35,120,686	685,161,023	685,161,023	264,069,688	275,872,996	947,269,950	374,834,618			
<i>Exports (Foreign Produce)</i>												
Totals, 1938	902,883	881,316	732,289	40,378,728	40,378,728	23,393,911	8,559,811	43,274,941	23,633,293			
1937	1,004,221	102,371	881,316	11,871,648	11,871,648	1,057,142	9,888,742	17,102,801	1,278,001			
1936	688,219	56,593	567,988	7,465,395	7,465,395	697,486	6,211,005	11,909,077	929,896			
<i>Excess of Imports (i) or all Exports (e)</i>												
Totals, 1938	(e) 52,130,739	(e) 18,996,047	(e) 26,552,312	(e) 183,527,105	(e) 183,527,105	(e) 176,136,589	(e) 67,265,699	(e) 257,636,716	(e) 262,164,807	(i)		
1937	(e) 24,975,683	(e) 20,606,901	(e) 3,326,002	(e) 241,954,076	(e) 241,954,076	(e) 172,577,290	(e) 18,145,747	(e) 392,905,170	(e) 275,018,861	(e)		
1936	(e) 36,599,426	(e) 26,315,821	(e) 6,003,498	(e) 241,760,016	(e) 241,760,016	(e) 175,336,481	(e) 16,779,871	(e) 360,734,419	(e) 254,682,134	(e)		

TRADE COMMISSIONERS ON TOUR

Mr. J. C. Macgillivray, Canadian Trade Commissioner at Berlin, Germany (whose territory includes Czechoslovakia and Poland); and Mr. J. L. Mutter, Canadian Trade Commissioner at Johannesburg, South Africa (whose territory includes the Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland), are visiting the principal industrial centres of Canada in the interest of Canadian trade with their respective territories. Their itineraries are as follows:—

Mr. Macgillivray

St. John and Black's	Kitchener	Nov. 24
Harbour	London and Ingersoll . .	Nov. 26
Toronto and Weston . .		Nov. 14 to 23

Mr. Mutter

Toronto and district . .	Nov. 7 to 19	Hamilton, Simcoe and
Guelph	Nov. 21	Winona
Kitchener and district .	Nov. 22 to 24	Galt
London and district . .	Nov. 25 and 26	St. Catharines and
Paris and Brantford . .	Nov. 28	Welland
		Dec. 2

Firms who wish to be brought in touch with the Trade Commissioners should communicate: for Toronto, with the office of the Canadian Manufacturers Association; and for the other centres, with the respective Board of Trade or Chamber of Commerce.

IMPORT TRADE OF FINLAND IN 1937

RICHARD GREW, CANADIAN TRADE COMMISSIONER

(One Finnish mark equals 2·2 cents Canadian; one metric ton equals 2,204 pounds; one kilogram equals 2·2 pounds)

Oslo, September 28, 1938.—In a report on the foreign trade of Finland in 1937, published in *Commercial Intelligence Journal* No. 1788 (May 7, 1938), page 705, there was given certain general information on the trade of Finland, such as the total value of imports and exports, imports and exports by commodity groups, and the distribution of trade with the most important countries of origin and destination.

The detailed trade statistics for the calendar year 1937 have recently been issued and show imports of individual commodities by countries of origin. The total value of imports originating in Canada decreased from 79,964,375 Finnish marks in 1936 to 74,541,286 marks in 1937, and Canada's share of the total Finnish imports declined from 1·26 per cent to 0·8 per cent.

ITEMS OF INTEREST TO CANADA

According to the Finnish trade returns, the following imports originated in Canada, the 1936 figures being shown within parentheses: live animals to a value of 125,000 marks (nil); salted salmon, 20 tons (nil); rye, 2,876 tons (305); wheat, 23,669 tons (39,682); wheat flour, 1,577 tons (2,237); canned lobster, 5 tons (nil); whisky, 3 tons (3); woollen paper-makers' felts, 2 tons (4); sawn wood, 77 tons (nil); patent leather, 10 tons (11); furs, 1 ton (nil); needles, 63 kilograms (53); ploughs, 25 tons (nil); asbestos, asbestos powder, and mica, 54 tons (28); tire casings, 42 tons (nil); and penholders and crayon- and pencil-holders, 126 kilograms (nil).

Of the items included in the detailed Finnish statistics, the following have been selected as being of interest to Canadian exporters, the 1936 figures being shown within parentheses:—

FOODSTUFFS AND AGRICULTURAL PRODUCTS

Live Animals.—The total value of the imports of live animals, other than horses, increased considerably, from 2,346,199 Finnish marks in 1936 to 5,812,757 marks in 1937, of which Sweden is credited with 2,873,465 marks (862,067), Norway with 1,464,188 marks (1,004,750), Germany with 1,094,596 marks (nil), and Canada with 125,000 marks (nil).

Casings.—Imports increased to 730 tons (497), over half of which came from Argentina, which supplied 455 tons (113), while Brazil shipped 70 tons (157), the United States 45 tons (79), Sweden 39 tons (24), Uruguay 26 tons (44), Denmark 19 tons (6), Esthonia 13 tons (15), Great Britain 12 tons (9), and the Netherlands 9 tons (6). No imports are credited to Canada, which in 1936 supplied 14 tons.

Salted Salmon.—Imports increased in weight to 53 tons (18), Canada being credited with 20 tons (nil), the United States with 19 tons (11), and Sweden with 13 tons (7).

Rye.—The total imports of rye increased to 71,594 tons (66,826), of which 14,616 tons (294) came from Argentina, 13,878 tons (1,109) from Poland and Danzig, 12,681 tons (nil) from Hungary, 8,852 tons (1,154) from Soviet Russia, 7,552 tons (nil) from the Netherlands, 3,962 tons (39,638) from Latvia, 2,876 tons (305) from Canada, 2,598 tons (10,236) from Esthonia, 1,789 tons (nil) from Bulgaria, and 1,758 tons (nil) from the United States.

Wheat.—Imports declined to 60,013 tons (73,074), the most important supplier being Canada, which shipped 23,670 tons (39,682), while Argentina is credited with 19,628 tons (4,475), the United States with 8,007 tons (12,291), Esthonia with 3,000 tons (2,993), Czechoslovakia with 2,174 tons (730), and Yugoslavia with 1,998 tons (nil).

Wheat Flour.—Imports declined to 20,853 tons (26,130), over half of which came from Great Britain, which shipped 11,970 tons (16,926), while Hungary supplied 6,145 tons (5,521), Canada 1,577 tons (2,237), and the United States 1,036 tons (919).

Canned Lobster.—Imports totalled 24 tons (18), Canada being credited with 5 tons (nil), Great Britain with 7 tons (7), Sweden with 5 tons (5), and Japan with 4 tons (nil).

Whisky.—Imports of whisky in barrels increased from 60 tons in 1936 to 73 tons in 1937, practically all of which came from Great Britain, which shipped 70 tons (57), while Canada is credited with 3 tons (3).

RAW MATERIALS AND WHOLLY OR PARTLY MANUFACTURED GOODS

Woollen Paper-makers' Felts.—Imports totalled 288 tons (270), Sweden supplying 93 tons (95), Great Britain 70 tons (49), Germany 46 tons (43), Austria 42 tons (39), France 14 tons (15), Switzerland 13 tons (16), Norway 5 tons (4), Czechoslovakia 3 tons (3), Canada 2 tons (4), and the United States 1 ton (2).

Sawn Wood.—Imports of sawn wood of pine, fir, birch, and asp declined to 20,831 tons (35,038), practically all of which originated in Soviet Russia, which is credited with 20,532 tons (34,594), while 154 tons (107) came from the United States, 78 tons (nil) from Canada, and 32 tons (nil) from Denmark.

Patent Leather.—Imports of patent leather totalled 37 tons (33), of which the United States contributed 19 tons (15), Canada 10 tons (11), Belgium and Luxembourg 5 tons (3), and Czechoslovakia 1 ton (nil).

Undressed Furs.—Imports of undressed furs increased substantially, totalling 11 tons as compared with only 6 tons in the previous year. Great Britain is credited with 4 tons (2), Poland and Danzig with 3 tons (nil), Japan with 0·8 ton (nil), Persia with 0·7 ton (nil), Canada with 0·5 ton (nil), and the United States with 0·4 ton (1·2).

Dressed Furs.—Imports of dressed furs, other than beaver, chinchilla, sea otter, ermine, fitch, marten, mink, fox, sable, swan, muskrat, Crimean and other sheep skins, increased to 21 tons (14), Germany contributing 9 tons (8), Great Britain 5 tons (2), Hungary 2 tons (nil), France 1·3 ton (1·2), the United States 0·7 ton (0·2), and Canada 0·7 ton (nil).

Muskrat skins, sewn together, entered Finland to a total weight of 1·1 ton (163 kilograms), of which 533 kilograms (134) originated in Germany, 404 kilograms (nil) in Great Britain, 43 kilograms (nil) in Soviet Russia, and 41 kilograms (nil) in Canada.

Needles.—Imports increased in weight to 12 tons (9), of which 10 tons (7) originated in Germany, 1·3 ton (0·8) in Great Britain, 239 kilograms in the United States (197), and 63 kilograms (53) in Canada.

Manufactured Non-malleable Castings.—Imports of these items weighing between 10 and 50 kilograms each were imported to an increased aggregate of 791 tons (516), of which Sweden contributed 387 tons (226), Germany 224 tons (206), Great Britain 101 tons (47), and the United States 20 tons (11). Canada shipped 1.2 ton in 1936, but is not listed as a supplier in the 1937 statistics.

Ploughs, Other than Steam and Motor Ploughs.—Imports showed a large increase, totaling 255 tons as compared with only 28 tons in 1936. The majority of these came from the United States, which shipped 121 tons (8), while 78 tons (12) originated in Sweden, 25 tons (nil) in Canada, and 18 tons (nil) in Czechoslovakia.

Miscellaneous Machinery and Apparatus, not Electric.—Imports showed an increased aggregate weight of 4,109 tons (2,153), of which 1,506 tons (938) originated in Germany, 1,161 tons (654) in Sweden, 751 tons (103) in Denmark, 338 tons (193) in Great Britain, 111 tons (63) in the United States, and 101 tons (45) in Switzerland. Canada shipped 3 tons in 1936, but does not appear as a supplier in 1937.

Asbestos, Asbestos Powder, and Mica.—Imports increased to 259 tons (145), Soviet Russia contributing 119 tons (45), Canada 54 tons (28), Great Britain 13 tons (nil), and the Netherlands 5 tons (20).

Tire Casings.—Imports amounted to 844 tons (567), of which Great Britain contributed 302 tons (154), the United States 268 tons (284), Belgium and Luxembourg 121 tons (55), Canada 42 tons (nil), Germany 39 tons (29), France 38 tons (33), and Italy 24 tons (9).

Penholders and Crayon- and Pencil-holders.—Imports totalled 12 tons as compared with 7 tons in 1936, most of which came from Japan and Germany, which are credited with 6 tons (2) and 4 tons (3) respectively. The United States supplied 556 kilograms (463), Great Britain 436 kilograms (453), and Canada 126 kilograms (nil).

ITALIAN WHEAT CROP, 1938

Mr. J. C. Depocas, Assistant Trade Commissioner in Milan, advises that according to official statistics the 1938 wheat crop in Italy totalled 296,603,051 bushels, an increase of 658,031 bushels over the yield in 1937. The total area under wheat was 12,410,728 acres as compared with 12,782,082 acres in 1937, and the average yield increased from 23 to 24 bushels per acre. Although the acreage in all provinces was reduced, in only three or four was there a decline in production. This yield is one of the best in the history of Italian agriculture.

WHEAT AND FLOUR TRADE REGULATION IN GREECE

HENRI TURCOT, CANADIAN TRADE COMMISSIONER

(One metric ton equals 2,205 pounds)

Cairo, September 24, 1938.—Greece's efforts to attain a level of self-sufficiency as regards wheat continue unabated. These efforts seek to increase gradually the areas devoted to wheat production, to bring about intensive cultivation by improved methods, and to improve the quality of seed. In spite of these efforts this country is still dependent upon foreign supplies for a substantial share of its requirements and will likely remain so for many years. On the other hand, due to high protective duties and restrictions of various kinds, imports of flour have become unimportant.

WHEAT

DOMESTIC PRODUCTION

The domestic production of wheat in 1937 was the largest in the last decade. It totalled 881,000 metric tons, the increase being due mainly to a greater yield, which reached 103 kilograms per stremme (one stremme is the equivalent of 0.2471 acre), as compared with 64 kilograms in 1936 and 87 kilograms in 1935. In spite of the increase in production, however, imports of wheat and flour amounted to 505,810 and 838 metric tons respectively, as against 471,478 and 753 metric tons in 1936. The average annual consumption of wheat during the

last five years stood at 1,152,000 metric tons. In 1937 it amounted to 1,388,000 tons. The domestic harvest in 1937 supplied 63·5 per cent of the total consumption requirements of the country as compared with 58·2 per cent in 1936 and 62·5 per cent in 1935. Thus Greece has had to purchase abroad in the neighbourhood of 40 per cent of her total wheat requirements.

No official estimates of this year's crop of wheat in Greece are as yet available, but it is reported to be somewhat larger than that of 1937.

IMPORTS

Imports of wheat into Greece by countries of origin were as follows in the last two years:—

Countries of Origin	1937	1936
	M. Tons	M. Tons
Total	505,810	471,478
Egypt	48,511	.....
Algeria	142	7,875
Argentina	156,368	36,956
Australia	568	80,104
Yugoslavia	49,261	50,312
Russia	7,449	69,573
United States	501	1,499
Italy	1	1,605
Canada	25,454	165,831
Cyprus .....	.....	1,203
Hungary	51,216	27,343
Roumania	165,807	27,223
Syria .....	.....	1,163
Turkey	346	791
Other countries	186	.....

The countries from which supplies of wheat are drawn by Greece are to a large extent determined by the factor of price.

This year there has been a great advance in sales of Canadian wheat in the Greek market in comparison with 1937. Two ministerial decrees, dated July 21 and August 11, gave permission for the importation of 60,000 and 40,000 metric tons of Canadian wheat respectively, at the minimum rate of duty. The required import permits have been issued and it is reported that the greater part has already arrived in Greece.

IMPORT REGULATIONS

Wheat is on Schedule "D" of the Greek import regulations, and its importation is subject to a special permit, which is issued by the Minister of National Economy on application from the Union of Greek Millers in collaboration with the Ministry of Market Control.

On account of the local product being poor in protein content, imported wheat is used entirely.

DUTIES

Wheat imported into Greece is subject, under tariff item No. 7a, to maximum and minimum rates of duty. The maximum rate is 7·5 metallic drachmae per 100 kilograms (220 pounds) plus 75 per cent of duty, and the minimum rate 6 metallic drachmae per 100 kilograms plus 75 per cent of duty.

A Greek decree of November 28, 1931, increased the maximum tariff on all commodities imported from non-treaty countries, making it 75 metallic drachmae in the case of wheat. The maximum tariff applies to Canada, except where modifications have been made. One of these modifications was a decree of July 1, 1933, which extended the minimum duty to Canadian wheat on condition that Canada purchased Greek goods to the value of at least 30 per cent of the value of the wheat exported. Another was a decree of June 19, 1934, which provided for ordinary maximum duty provided the shipments were ex-

changed for Greek products of equal value. From time to time Greek decrees have been issued granting authority for the purchase of specified quantities of wheat from Canada at the minimum rate of duty.

For the purpose of assessing import duties on grains and wheat flour, the duties on these goods, expressed in metallic drachmae, are converted into paper drachmae at the rate of 15 paper drachmae to 1 metallic drachma for wheat and at 20 to 1 for flour. At current exchange the paper drachma equals 0.9 of a cent Canadian.

The maximum duty applicable to Canadian wheat is thus \$17.71 in Canadian currency per 100 kilograms and the minimum duty \$1.39. In addition an import surtax of $1\frac{1}{2}$ per cent of the duty-paid value of the goods is levied on wheat.

FLOUR

Owing to disproportionately high rates of duty on flour in comparison with those on wheat and to the rigidity of the regulations with respect to content and mixing, the importation of flour into Greece is insignificant. Imports amounted to 838 and 753 tons in 1937 and 1936 respectively, these quantities originating almost entirely in the United States. Since there is no commercial agreement between Canada and Greece, Canadian flour is dutiable under the maximum rate of duty multiplied by ten, in accordance with the Greek decree of November 28, 1931, already cited. Flour from the United States, on the other hand, is dutiable under the minimum rate.

DUTIES

The maximum rate on flour imported into Greece, under tariff item No. 8a, is 11 metallic drachmae per 100 kilograms (220 pounds) and the minimum rate 10.7 metallic drachmae per 100 kilograms. Converted in accordance with the ratios mentioned under the duties on wheat, the maximum duty is \$3.41 in Canadian currency and the minimum rate \$3.33. The duty applicable to Canadian flour is thus \$34.10 per 100 kilograms.

IMPORT REGULATIONS

The importation of flour (Schedule "D") is subject to the issue of a special permit by the Ministry of National Economy, and importers are obliged to purchase a certain percentage of Greek wheat, ostensibly for admixture with the imported flour. This percentage has been fixed for the current year at 200 per cent. Since most of the flour importers are not millers, however, they enjoy the alternative of paying a premium on the imported flour. This premium is fixed at 1.35 drachma per kilogram (about \$0.55 Canadian per 100 pounds) and is collected on behalf of the Greek wheat concentration fund.

In addition, to be admitted into the country, flour must be neither sour nor rancid, of an odour characteristic of good-quality flour, positively unbleached, not self-rising, and free from adulteration of any kind, more especially from chemicals such as persulphates, sulphate of ammonia, phosphate of calcium, and other products of a similar nature. Moreover, there are specified limits of ingredients for each quality of flour as follows:—

Quality of Flour	Water Maximum Per Cent	Gluten Minimum Per Cent	Sulphuric Acidity Per Cent	Ash Maximum Per Cent	Bran Maximum Per Cent	Fatty Substances Maximum Per Cent
A	13	26	0.07	0.6	0	1.10
B	13	28	0.15	1.4	2	2.75
Pure	13	28	0.10	1.0	1	1.40
Clears	13.5	26	0.15	1.6	13	1.70
Semolina	13	28	0.07	0.8	0	1.10

The percentage of water may be increased by 0.5 from September 15 to June 15. The gluten must present the vegetable peculiarities of gluten of good-quality flour. A tolerance of 10 per cent is admitted in the acidity of flour from June 15 to September 15. When the percentage of ash exceeds the limit fixed in the above table, flour in which that excess has been traced may be permitted entry only by decision of the Council of Chemical Services. The fatty substances are examined only in case of doubt as to quality. The responsibility of importers as to quality of flour extends to sixty days from the date it has been released from the customs warehouse. All kinds of wheat may be utilized, but flour must conform to the above regulations. When other cereals and pulse are milled, the word "flour" must be qualified accordingly.

ECONOMIC CONDITIONS IN CUBA, JANUARY TO JUNE

C. S. BISSETT, CANADIAN TRADE COMMISSIONER

Havana, September 15, 1938.—In the first six months of the present year economic conditions in Cuba continued to show the same downward trend as marked the latter part of 1937. Almost all forms of commercial activity were adversely affected, due chiefly to the business recession in the United States and to a marked reduction in the price of raw sugar and in Cuban exports of this product. As sugar and its by-products account for about 80 per cent of Cuba's total export trade, any reduction in the export volume or value of this crop exercises a marked adverse effect on business conditions generally. Tobacco likewise showed decreased returns, and tourist traffic was not as good as during the similar period of last year. Local manufacturing has been reduced somewhat, building activity is at a lower level, wholesale and retail sales are also down, and collections and credit conditions are generally more difficult than they have been for some time.

FINANCIAL CONDITIONS

The Cuban peso (equal in value at par to the Canadian dollar) in recent weeks has been quoted by local banks at a discount of around 3 per cent from the United States dollar. No budget was brought down for the current fiscal year, but that for 1937-38 was continued to cover the period until June 30, 1939. A deficit of some 10,000,000 pesos is estimated for the current fiscal year, income being placed at \$77,575,000 and expenditures at \$81,284,000. The deficit for 1937-38 totalled about \$3,708,000, income amounting to \$83,250,000 and expenditure to \$84,864,591.

General revenue collections up to the end of July amounted to \$38,624,448 (\$40,642,013 in the same period of 1937); public works special fund collections were \$7,421,923 (\$7,332,350 in 1937) and customs revenue in Havana only showed a reduction of 11 per cent, amounting to \$11,839,456 (\$13,328,458).

Currency in circulation as at July 31 was \$69,449,560. Bank clearings for the first seven months amounted to \$431,149,649 as compared with \$435,250,926 for the same period in 1937. The total value of merchandise sales to June 30 amounted to \$330,501,000 as against \$347,200,000 last year. Cargo imported through Havana up to the end of July totalled 820,110 tons as compared to 861,993 in the same period of 1937.

SUGAR

A marked decline occurred in sugar exports as compared to the 1937 period. The total exported from January 1 to August 15 amounted to 1,687,037 Spanish long tons (1 Spanish long ton equals 2,271 pounds) as compared to 1,966,885

tons in the same period of 1937. The decline was due to smaller purchases by the United States, which imported only 1,151,986 tons this year as against 1,536,255 tons in the 1937 period. Shipments to other markets increased slightly. The stock of sugar held in the island, including 150,000 tons set aside for domestic consumption, amounted on August 15 to 1,719,035 tons as compared to 1,297,094 tons on the same date in 1937.

Official figures for the 1937-38 crop year ending May 31 show a production of 2,976,000 Spanish long tons, an increase of 5,000 tons over the 1936-37 crop year.

As previously reported, raw sugar prices are exceptionally low. However, a slight upturn in July was continued in August. The average world price for raw sugar converted to a cost and freight basis at New York was 1.0957 cent per pound for June and 1.1428 cent for July as compared to 1.3937 cent for July, 1937. The price for August was 1.1377 cent per pound as compared to 1.3479 cent for August last year.

The revised Cuban quota in the United States market for 1938 was set at 1,939,546 short tons raw value. Cuba was allocated 375,000 short tons raw value of direct consumption sugar.

TOBACCO

Cuba's second industry, tobacco, also showed a decrease in activity, although small as compared to that in the sugar industry. Exports for the first seven months of 1938 were valued at 8,662,797 Cuban pesos. However, the whole decrease occurred in manufactured tobacco, cigars, cigarettes, etc., as the exports of leaf were higher than in the corresponding period of last year.

TOURIST TRADE

The decline in business throughout the world, and particularly in the United States, had an adverse effect on Cuba's tourist trade. For the first seven months of the present year the number of tourists visiting Havana totalled 108,995, of which 60,585 are classed as excursionists, those who remain on their steamers, and 48,410 tourists, those who remain some time in the country. This compared with a total of 119,844, of which 76,644 were excursionists and 43,200 were tourists, in the similar period of last year.

IMPORTS AND EXPORTS

A notable decrease took place in both the exports from and the imports into Cuba up to the end of June as compared to the same period last year. The total value of imports declined from \$64,940,753 last year to \$59,386,564. More than half of the decrease was due to smaller purchases from the Americas, among which countries the United States was the chief supplier. The remainder was credited to Asia, the principal commodity affected being rice from Siam. European shipments were not reduced except to a negligible extent.

A much greater actual and relative decrease was recorded in exports, which fell from \$113,239,528 in the 1937 period to \$81,698,877 in 1938. Sales to the Americas were mainly responsible for this decrease, having fallen off about 38 per cent. The much reduced raw sugar shipments to the United States were the chief cause of this large decrease. Conversely, exports to Europe increased by about 37 per cent, but did not go far to counterbalance the loss sustained in the American market.

The figures of Cuba-Canadian trade as issued locally show imports from the Dominion valued at \$361,074 and exports thereto valued at \$104,243 as compared to \$523,948 and \$120,013 respectively for the first six months of last year.

ARGENTINE GRAIN ACREAGE, 1938

Mr. J. A. Strong, Canadian Trade Commissioner at Buenos Aires, writes under date October 22 that the second official estimate of the acreage seeded to wheat and other cereals this year was issued by the Department of Agriculture on October 21.

The second estimate places the area in wheat at 20,632,850 acres, or 617,750 acres more than the first estimate of September 16 last, and 1,413,412 acres more than in 1937, also 1,530,315 acres above the previous ten-year average and 2,752,052 acres more than the average for the last five years.

The acreages in flax and other cereals, with those for the September 16 estimate and 1937, respectively, within parentheses, are as follows: flax, 6,646,-990 (6,869,380 and 7,022,582); oats, 3,335,850 (3,360,560 and 3,254,307); barley, 2,050,930 (2,026,220 and 1,942,453); rye, 2,050,930 (2,100,350 and 2,184,-364); and birdseed, 123,550 (118,608 and 113,691).

FOREIGN TRADE OF BRAZIL IN 1937

L. S. GLASS, CANADIAN TRADE COMMISSIONER

(Unless otherwise indicated, all tons are metric tons of 2,204 pounds; one conto (1,000 milreis) during 1937 was approximately equal to \$62.87, or one milreis to approximately 6.287 cents.)

Rio de Janeiro, September 12, 1938.—Brazil's international trade continued to expand during 1937. The increase in imports was greater than that in exports, resulting in one of the smallest favourable balances in the history of Brazil. The total volume of external trade in 1937 was 8,396,225 tons, an increase of slightly less than 10 per cent as compared with 7,576,357 tons in 1936. Imports amounted to 5,099,880 tons, an increase of approximately 11 per cent over the 4,467,630 tons imported in 1936. Exports, on the other hand, increased by only 6 per cent over the 3,108,727 tons exported in 1936 to 3,296,345 tons. The following table shows the steady increase in Brazilian foreign trade during the past six years:—

	Imports Tons	Exports Tons
1932	3,254,398	1,632,265
1933	3,837,526	1,910,772
1934	3,845,718	2,184,782
1935	4,229,305	2,761,517
1936	4,467,630	3,108,727
1937	5,099,880	3,296,345

EXPORT PRICES

Average milreis prices per ton of exports decreased, but better rates of exchange resulted in an increase in the dollar value of the ton, which rose from \$103 to \$105 (1.9 per cent). Dollar values of imports per ton showed a greater increase than those of exports—from \$54 to \$64 (14.3 per cent).

CURRENCY VALUES OF INTERNATIONAL TRADE

Brazil's total international trade in 1937 was valued at 10,406,610 contos (\$678,118,000) as against 9,164,102 contos (\$566,760,000) in 1936, an increase of approximately 13 per cent in Brazilian currency and 16 per cent in dollars. Export values in milreis, which showed an increase in 1935 of 18 per cent over 1934 and of 19 per cent in 1936 over 1935, increased by less than 4 per cent in 1937 as compared with 1936. The dollar value, which increased by nearly 16 per cent in 1936 as compared with 1935, increased by approximately 8 per cent

in 1937 as compared with 1936. Export values in gold pounds increased from £39,069,043 in 1936 to £42,529,762 in 1937, an increase of approximately 9 per cent as compared with 18 per cent in the previous year.

Import values increased by 10.5 per cent in 1936 over 1935, whereas in 1937, with a total value of 5,314,551 contos as compared with 4,268,667 contos in 1936, the increase was over 24 per cent. Dollar values, which increased by approximately 10 per cent in 1936 over 1935, increased in 1937 to \$330,554,000 as compared with \$246,717,000 in 1936, a percentage increase of nearly 34 per cent, while the value in gold pounds increased from £30,065,000 to £40,670,000 or by nearly 35 per cent.

BALANCE OF TRADE

The 1937 balance of trade, computed in milreis, was unfavourable, showing a deficit of 222,492 contos. In dollars, however, there was a favourable balance of \$17,010,581; in pounds sterling, £3,329,325; and in gold £1,922,254 as compared with a favourable balance of 626,768 contos, \$73,325,753, £14,811,589 sterling and £9,003,523 gold in 1936. The following table indicates the trend of the balance of trade since 1929:—

	Balance in Contos	Inc. or Dec. Per Cent	Balance in £ Gold	Inc. or Dec. Per Cent
1930	563,649	.....	12,127,414	.....
1931	1,517,230	+ 169	20,788,172	+ 71
1932	1,018,071	+ 81	14,885,297	+ 22
1933	655,017	+ 16	7,658,169	- 37
1934	956,221	+ 69	9,772,305	- 20
1935	248,091	- 56	5,580,734	- 54
1936	626,768	+ 11	9,003,523	- 26
1937	222,492	- 61	1,922,254	- 85

EXPORTS

In the Brazilian statistics exports are divided into three classes: animals and their products, minerals and mineral products, and vegetable products. In each class there was an increase. Class I increased from 468,323 contos (\$30,581,000) to 553,374 contos (\$34,390,000). The most important item of this class is hides, which increased in value from 144,527 contos (\$9,444,000) to 222,474 contos (\$13,860,000). Next in importance is chilled beef, which showed a marked increase from 77,373 contos (\$4,451,000) to 106,447 contos (\$6,625,000). Exports of lard decreased, as did also canned meat, wool and dried beef. The other items in this class, skins, tallow and grease, and miscellaneous, showed slight increases.

The value of exports of mineral products increased from 31,957 contos (\$1,839,000) to 95,447 contos (\$5,941,000). Each of the items under this heading—manganese, other minerals, precious stones, and miscellaneous—showed marked increase. Exports of precious stones, which for some years had been of minor importance, increased in value from 513 contos (\$29,710) to 26,595 contos (\$1,659,000). Manganese exports likewise assumed new importance, increasing in value from 16,342 contos (\$941,000) to 44,730 contos (\$2,783,000).

Items in Class III which, including miscellaneous, embraces twenty-five commodities or commodity groups, increased in value from 4,395,155 contos (\$253,100,000) to 4,443,238 contos (\$276,500,000). Under this heading coffee was the most important single product. Exports in 1936 were valued at 2,231,473 contos (\$145,715,786) as against 2,159,431 contos (\$134,400,000) in 1937. This represents exports of 12,122,809 bags of 60 kilos each, which is an increase as compared with 1936 when exports totalled 14,185,506 bags. Cotton, which for the past five years has been Brazil's second export commodity, increased in quantity from 200,313 tons in 1936 to 236,181 tons. Value increased from 930,281 contos (\$53,720,000) to 944,363 contos (\$58,790,000). Exports of castor

seed increased in value from 73,942 contos (\$4,259,000) to 91,299 contos (\$5,680,000). Oil cake increased from 53,626 contos (\$3,860,000) to 84,117 contos (\$5,235,000), and tobacco exports from 31,482 tons to 36,639 tons with respective values of 66,591 contos (\$3,830,000) and 87,881 contos (\$5,469,000). Out of the twenty-five items in this class, seventeen increases were recorded and eight decreases. The most important decreases were: cocoa, from 258,015 contos (\$14,860,000) to 229,209 contos (\$14,260,000); and rice, which decreased from 38,490 contos (\$1,221,700) to 20,065 contos (\$1,245,000).

IMPORTS

Imports are divided into four classes. The first covers living animals, of which 6,933 head were imported in 1937 valued at 6,081 contos (\$378,500) as against 14,231 head in 1936 valued at 7,771 contos (\$448,000). The second class, primary materials, increased from 1,251,720 contos (\$72,500,000) in 1936 to 1,584,553 contos (\$98,410,000) in 1937, or by more than 35 per cent. Approximately 30 per cent of the total imports are included under this classification. Patent fuel, coal, and coke accounted for nearly 15 per cent of total imports in 1937—230,859 contos (\$14,345,000) as against 167,254 contos (\$9,561,400). Animal silk accounted for 21 per cent and showed a marked increase to 336,046 contos (\$20,890,000) from 288,791 contos (\$16,620,000) in 1936. Unmanufactured iron and steel made up 12 per cent of the imports, with a value of 189,073 contos (\$11,860,000) as against 110,820 contos (\$6,386,000) in 1936. Gasoline accounted for approximately the same percentage, but the increase was not so marked—155,956 contos (\$8,979,000) as against 185,131 contos (\$11,460,000). In this class there are sixteen commodity divisions, including miscellaneous, of which fifteen showed increases, the only decrease being in ordinary cement, the result of increased national production.

The third class, manufactured articles, represented about 52 per cent of the total imports—2,768,184 contos (\$171,450,000) as against 2,104,545 contos (\$121,000,000) in 1936, an increase of nearly 42 per cent. Machines, apparatus and tools comprise the most important single item of this class, of which there was a marked increase in imports—from 730,767 contos (\$42,100,000) to 1,005,201 contos (\$63,000,000). Next in importance were manufactures of iron and steel, of which there were imports to the value of 542,654 contos (\$33,620,000) in 1937 as against 391,643 contos (\$22,540,000) in 1936. In this class there are thirteen subdivisions all of which showed increases over the preceding year.

Foodstuffs comprise the fourth class, about 18 per cent of the total. Imports increased in value from 904,631 contos (\$52,700,000) to 955,753 contos (\$59,250,000). Imports of wheat represent approximately 70 per cent of the total imports under this heading. Of the ten divisions only three, olive oil, wheat flour, and fruits, registered decreases.

DISTRIBUTION OF TRADE

There has been little change in the relative positions of the nations selling to Brazil. Germany continues to occupy first place, followed by the United States, Argentina, and Great Britain. France, which was in fifth place in 1936, has given way to Belgium. Japan, which in 1936 was in tenth place, has now risen to seventh position, supplanting Italy, which is now eighth. Canada is ninth, followed by Holland and Newfoundland. Only one change occurred in the order of the countries buying from Brazil: France, which was in third place in 1936, is now fourth. The chief supplying countries in order of importance in 1937 were: United States, Germany, Great Britain, France, Japan, Argentina, Holland, Belgium, Italy, Canada, and Newfoundland.

TRADE WITH CANADA

(Figures within parentheses are taken from Canadian statistics)

With the exception of the five-year period 1926 to 1930, the value of the trade of Canada with Brazil during the calendar year 1937 is the highest yet attained, the total being 90,981 contos which at the average rate of exchange is approximately \$5,639,000; according to Canadian statistics the value is \$5,850,000. This is an increase of approximately 18 per cent over the 1936 value and is more than seven times the figure for 1934.

IMPORTS FROM CANADA INTO BRAZIL

Imports into Brazil from the Dominion increased in value from \$3,934,168 to \$4,754,104, at the average value of exchange for 68,050 contos in 1936 and 76,407 contos in 1937. Canadian statistics show an increase of approximately 38 per cent, from \$3,627,931 to \$5,002,552. This is the highest since 1929 when the value was \$5,083,571. The lowest point was reached in 1932 when exports were valued at \$1,136,043.

Increases in value occurred in the case of nineteen of the thirty-one commodities which make up over 90 per cent of the imports from Canada into Brazil. Outstanding among those showing increases were pig lead, 2,855 tons valued at \$261,000 (\$224,247) in 1936 to 3,521 tons valued at \$473,917 (\$404,024) in 1937; tires and inner tubes, \$713,952 (\$672,263) to \$854,122 (\$922,603); insulators, \$5,025 (\$4,353) to \$21,921 (\$23,530); and sewing machines, \$1,384,000 (\$1,203,000) to \$2,099,000 (\$2,026,000). Imports of newsprint increased from \$276,000 (\$246,000) to \$407,000 (\$363,000), and of codfish from \$23,000 (\$7,000) to \$108,000 (\$100,000). Direct importations of Canadian furs increased in value from \$8 (\$47) in 1936 to \$3,000 in 1937. Imports of cotton-rubber belting showed an increase from 87 tons valued at \$70,857 to 93 tons valued at \$81,000 (\$71,176) in 1937. Iron tubes and pipes increased in value from \$17,658 in 1936 to \$29,540 in 1937. Canadian statistics show 1937 exports as being valued at \$9,373. Electric meters increased in value from \$11,000 to \$26,000 (nil). Malt increased from 96 tons valued at \$6,432 (\$2,688) to 575 tons valued at \$48,572 (\$49,874).

The most important decreases were in imports of: copper, from 1,786 tons in 1936 to 523 tons in 1937 with respective values of \$382,000 (\$264,000) and \$162,000 (\$163,000); wood-pulp, from a value of \$103,000 in 1936 to \$56,000 in 1937, although Canadian figures indicate exports from Canada to Brazil valued at \$138,000 in 1937; flour imports, from \$40,600 (\$32,700) to \$29,300 (\$36,600). Brazil imported smaller quantities of apples from Canada in 1937, shipments showing a decrease from 627 tons valued at \$37,000 (\$56,000) to 86 tons valued at \$13,000 (\$18,000). Imports of raw and manufactured zinc, antimony, electric cables and electrical machinery, paper, whisky, and condensed milk also showed slight decreases.

BRAZILIAN EXPORTS TO CANADA

Brazil's exports to Canada, during 1937 showed a slight increase in tonnage from 37,071 tons in 1936 to 48,139 tons and in milreis from 13,260 contos to 14,574 contos. The dollar exchange values indicate an increase from \$866,000 to \$916,000, while Canadian statistics show a decrease from \$875,000 to \$848,000. Nearly 50 per cent of Brazil's exports to Canada is made up of coffee, which decreased from 37,800 bags to 37,100 bags in 1937; milreis value increased from 6,201 contos to 6,983 contos. The dollar value converted from Brazilian figures increased from \$405,000 to \$439,000; Canadian figures, however, indicate a reduction from \$491,000 to \$399,000.

Brazil nuts, as shown by Brazilian statistics, were exported to Canada to a value of \$6,240 in 1937 as against \$29,604 in 1936. This, however, is one of the outstanding examples of discrepancies which are bound to occur between statistics of such countries as Brazil and Canada where, as so often is the case, trade is carried on through an intermediary country. Thus, for 1937 Canadian statistics show that Brazil nuts to the value of \$107,700 were imported direct from Brazil. At the same time almost an equivalent amount was imported through the United States and Great Britain, which countries are in Canadian statistics listed as countries of origin, although Brazil is actually the sole source of supply for this product.

For the first time in many years Brazil supplied the Canadian market with oranges, 93 tons valued at \$114,000 (\$118,000) having been exported in 1937 to Canada. Brazilian statistics indicate that a small quantity of timber, valued at \$1,600, was exported to Canada, but this is not shown in Canadian statistics. A slight decrease occurred in the exports of cocoa butter, but a considerable increase in the exports of hides and skins. Of eleven commodities which account for over 90 per cent of Brazilian exports to Canada, five showed increases in 1937.

TRADE WITH THE UNITED STATES

The total value of trade between Brazil and the United States increased from \$178,789,000 in 1936 to \$192,597,000 in 1937. The entire increase was accounted for by imports into Brazil, which rose from \$54,606,000 in 1936 to \$76,107,000 in 1937 or by \$21,501,000 (35 per cent). The value of exports, on the other hand, decreased from \$124,184,000 in 1936 to \$116,490,000 in 1937, or by \$7,694,000 (slightly over 6 per cent).

BRAZILIAN IMPORTS

In tonnage of imports there was an increase from 503,744 tons to 703,376 tons. Brazilian imports from the United States are very diversified, covering practically the entire range of that country's exports. Twenty-six main commodities, however, account for over 50 per cent of the total imports, and of these, eighteen showed increases in value and seventeen in tonnage as compared to 1936. Some of the more important items making up this trade are as follows, with 1936 figures in parentheses: rubber tires and tubes, \$672,664 (\$694,486); motor cars and trucks, \$85,408,000 (\$79,963,000) including motor car chassis, \$6,036,907 (\$4,595,129); motor car accessories, \$1,105,079 (\$771,428); coal, \$1,061,606 (\$385,033); pure and artificial silk yarn, \$317,971 (\$5,221); barbed wire, \$436,996 (\$299,615); other wire, \$696,318 (\$382,612); tin plate, \$3,633,294 (\$2,150,259); rails and railway accessories, \$1,245,154 (\$946,878); iron and steel tubes, \$620,351 (\$451,550); radio apparatus, \$1,976,112 (\$1,566,144); refrigerators, \$1,216,111 (\$1,235,758); gasoline, \$3,942,474 (\$4,431,759); kerosene, \$3,015,897 (\$2,504,431); fuel oil, \$231,604 (\$116,650). Imports of wheat flour increased in value from \$400,000 to \$463,000, but volume decreased from 6,452 tons to 5,846 tons. Apple imports decreased in value from \$487,000 to \$475,000, while volume increased from 3,268 tons to 3,478 tons. Imports of pears likewise showed a decrease in both value and tonnage from 2,347 tons valued at \$351,000 in 1936 to 2,128 tons valued at \$335,000.

TRADE WITH GREAT BRITAIN

Trade between Brazil and the United Kingdom continued to expand in 1937, when the total value was 1,100,435 contos (\$66,060,000) as against 1,064,665 contos (\$65,968,000) in 1936. A sharp increase took place in the imports into Brazil, from a total of 479,933 contos (\$27,783,000) in 1936 to 641,924 contos (\$39,935,000) in 1937, an increase of nearly 45 per cent. Brazilian exports to the United Kingdom decreased from 534,789 contos (\$38,183,000) to 472,005 contos (\$26,125,000), by slightly over 30 per cent.

IMPORTS

Of the thirty-six commodities which make up nearly 50 per cent of the total imports from Great Britain, twenty-five increased in value. The greatest increases were in tin plate, from 2,844 tons valued at 5,760 contos (\$332,000) in 1936 to 8,991 tons valued at 18,114 contos (\$1,123,000) in 1937; and in textile machinery, which increased from the value of 8,500 contos (\$496,000) to 25,632 contos (\$1,587,000). Other important increases occurred in coal, from \$4,074,000 to \$4,570,000; rubber tires and tubes, from \$405,000 to \$539,000; iron and steel tubes, from \$423,000 to \$632,000; and hoes, shovels and axes, from \$756,000 to \$949,000. Other increases were in linen and woollen piece-goods, copper, lead, wood-pulp, and aluminium.

The most noteworthy decreases were in codfish, from \$744,000 to \$534,200; paper, from \$98,000 to \$78,000; and agricultural machinery, from \$59,000 to \$26,000.

TRADE WITH GERMANY

The trade between Brazil and Germany has more than trebled during the past five years. In 1933 the total value was \$43,600,000, whereas in 1937 it was \$133,800,000. The greatest increase is in imports into Brazil. In 1933 Germany was fifth in importance, with a total value of \$20,700,000, but by the end of 1936 was in first place. In 1937 the value of Brazil's imports from that country was \$78,900,000. Exports to Germany also increased from \$22,900,000 in 1933 to \$54,900,000 in 1937. Imports in 1936 were valued at \$57,900,000 and exports at \$42,200,000.

GERMAN IMPORTS

There were increases in thirty of the thirty-seven major items of Brazilian imports from Germany. Those of coal increased from 452,000 tons valued at \$3,252,000 in 1936 to 711,000 tons valued at \$6,653,000 in 1937. A considerable gain in the import of motor cars and trucks was recorded, \$799,000 in 1936 and \$1,315,000 in 1937, while chassis for motor cars and trucks increased in value from \$190,000 to \$648,000. Bicycle imports increased from \$382,000 to \$663,000. There were 16,608 tons of iron and steel pipe valued at \$1,520,000 imported in 1936 as against 23,451 tons valued at \$2,889,000 in 1937. Imports of dynamos and generators increased in value from \$577,000 to \$1,239,000, and those of sewing machines from \$964,000 to \$1,333,000.

Other products which showed increases in 1937 were as follows: copper plates and sheet, \$875,000; wool yarn, \$1,405,000; cement, \$551,000; hides and skins (tanned), \$23,500; silk yarn, \$3,897; artificial silk thread, \$170,000; cotton manufactures, \$118,000; rubber boots and shoes, \$26,000; tires and inner tubes, \$393,000; motor car accessories, \$165,000; barbed wire, \$1,296,000; wire n.o.p., \$1,819,000; cutlery, \$610,000; locks, etc., \$474,000; tin plate, \$2,142,000; manufactures of iron and steel n.o.p., \$118,000; garden tools, \$850,000; abrasive wheels, \$132,000; electric light machinery, \$43,000; paper, \$906,000; medicines and drugs, \$270,000; medical ampoules, \$909,000; and toys other than rubber, \$382,000.

Decreases were shown in: chemical manures, from \$691,000 to \$112,000; photographic papers, films, etc., from \$416,000 to \$382,000; manufactures of rubber n.o.p., from \$37,000 to \$25,000; hops, from \$328,000 to nil; malt, from \$275,000 to \$248,000; wood-pulp, from \$1,008,000 to \$415,000; and unmanufactured iron and steel, from \$4,175,000 to \$1,267,000.

TRADE WITH JAPAN

Since 1933 there has been a great expansion in the trade between Brazil and Japan. In that year the total trade was valued at \$1,330,000, increasing to

TENDERS INVITED

New Zealand

Copies of specifications have been received from Mr. W. F. Bull, Canadian Trade Commissioner at Auckland, for equipment required by the Public Works Department and the Post and Telegraph Department, Wellington. These specifications are open for inspection by interested Canadian firms on application to the Department of Trade and Commerce, Ottawa. Tenders should be addressed to the Secretary, Public Works Supplies and Tenders Committee, Wellington, and to the Director-General (Stores Division), General Post Office, Wellington, in accordance with these specifications:—

Particulars are as follows:—

Public Works Department.—Section 158, Waikaremoana Scheme: two water-turbine driven auxiliary generator and exciter sets, voltage regulating equipment and accessories, to specifications and drawings; Section, 573, Waikaremoana Scheme: supervisory or remote control equipment, semi-automatic and protective equipment, switchgear and accessories, to specifications and drawings (tenders close February 14, 1939).

Post and Telegraph Department.—300,000 screws, coach, galvanized steel, $1\frac{1}{2}$ inch by $\frac{5}{16}$ inch, Post and Telegraph Department specification No. 317; 5,000 screws, coach, galvanized steel, 2 inches by $\frac{5}{16}$ inch, specification No. 317 except that length exclusive of head shall be 2 inches and diameter $\frac{5}{16}$ inch; 24,000 screws, coach, galvanized steel, $2\frac{1}{2}$ inches by $\frac{3}{8}$ inch, specification No. 317; 2,000 screws, coach, galvanized steel, 3 inches by $\frac{1}{2}$ inch, specification No. 317 (tenders close January 10, 1939); 255,000 spindles, insulator, without washers, to British Standard Specification No. 16, and also to the New Zealand Post and Telegraph Department's Specification No. 354, for rust-proofing of the Whitworth screw threads and packing (tenders close January 5, 1939).

TARIFF CHANGES AND CUSTOMS REGULATIONS

Australia

TARIFF BOARD REPORT ON NEWSPRINT

A report of the Australian Tariff Board on the protection necessary for the establishment of a newsprint paper manufacturing industry in Australia has been made public. The board recommends the imposition of import duty on newsprint paper under the British preferential tariff; this duty, with a portion of the duty collected under the general tariff, to provide a "bounty fund" for the assistance of Australian production of such paper. The rate of duty under the British preferential tariff and the rate of bounty paid would be on a sliding scale, regulated by the cost of imported newsprint (cost, insurance, freight, and exchange). When the cost is £18 per ton (2,240 pounds) or over, no duty would be imposed under the British preferential tariff and no bounty paid on production.

The report is dated May 27, 1938, and is in pursuance of questions referred to the board by the Government on June 2, 1937, as to—

- (a) the amount of protection necessary for the establishment in Australia of an industry for the efficient manufacture of newsprinting paper (in rolls) of the types covered by item 334C1 of the Commonwealth customs tariff, i.e., "Newsprinting, not glazed, mill-glazed or coated, in rolls not less than 10 inches in width or in sheets not less than 20 inches by 25 inches or its equivalent," and
- (b) the form which such protection should take.

At present such paper is free of duty under the British preferential tariff (applicable to Canada, the United Kingdom, and New Zealand) and dutiable at £4 per ton (2,240 pounds) under the general tariff (applicable to all non-British countries).

The report recites that newsprinting paper has not yet been produced commercially in Australia. An association of newspapers, being the promoters of a company for the manufacture of newsprint, had applied to the Government for assistance by means of a bounty on production of £4 per ton, the amount of the bounty to be raised by means of a duty on all such paper imported. News-paper and publishing companies not associated with the promoters of the industry opposed the proposed bounty and duty.

Statistics quoted for the Australian fiscal year ended June 30, 1937, show imports of newsprint paper were: from Canada, 150,999 tons; from the United Kingdom, 46,278 tons; from Scandinavian countries, 190 tons; and from other non-British countries, 18 tons—making a total of 197,485 tons.

Public hearings were held by the Tariff Board in March and April, 1938. The complete record of evidence has not been published.

The board's recommendations are, briefly, that the manufacture in Australia of "newsprinting paper, not glazed, mill-glazed or coated, in rolls not less than 10 inches in width," be assisted by means of a bounty. Such paper to be manufactured in Australia in greater part from pulp produced in Australia from Australian-grown timber. The paper to be of 30- to 38-pound substance (500 sheets 24 inches by 36 inches), tinted or untinted, and suitable for the production of a metropolitan newspaper. That a bounty fund be created by the imposition of duty under the British preferential tariff and a diversion of a portion of the duty under the general tariff on imported newsprinting paper in rolls classified under tariff item 334C1. The rates of bounty to be paid and of duty to be collected to be as follows:—

Imported Cost (C.i.f. & e.* Plus Primage)	Duty Per Ton of 2,240 Pounds s. d.	Bounty 2,240 Pounds £ s. d.
£18 and over	2 6	0 10 0
£17 and under £18	5 0	1 2 6
£16 and under £17	7 6	1 15 0
£15 and under £16	10 0	2 7 6
£14 and under £15	12 6	3 0 0
£13 and under £14	15 0	3 12 6
£12 and under £13	17 6	4 0 0
Under £12		

* Cost, insurance, freight, and exchange.

It is recommended that the operation of the bounty be limited to three full years' production in the projected mill and that the nature and amount of further governmental assistance be determined after public inquiry.

The press has announced that legislation partially adopting this report will be introduced shortly in the Australian Parliament.

Straits Settlements

PROTECTION OF UNITED KINGDOM DESIGNS

Mr. B. C. Butler, Canadian Trade Commissioner at Singapore, reports the passing into law of a bill which was given first reading on June 13, 1938, in the Straits Settlements to protect designs registered under the United Kingdom Patents and Designs Acts of 1907 and 1919. The law confers upon the proprietor of a design registered in the United Kingdom the same rights in the colony as he enjoys in the United Kingdom. The bill does not require local registration to effect its purpose.

Egypt

PHARMACEUTICAL PREPARATIONS TO SHOW SALES PRICE

Mr. Henri Turcot, Canadian Trade Commissioner at Cairo, reports that, effective January 1, 1939, the importation of unspecified compound medicines, preparations in doses and pharmaceutical specialties, put up for retail sale (tariff item No. 256), will only be permitted if the containers bear the sale price to the public. The customs duty of 10 per cent will be levied on this sale price instead of the c.i.f. value as is the case at present.

Palestine-Syria

NEGOTIATIONS FOR NEW CUSTOMS AGREEMENT

Mr. Henri Turcot, Canadian Trade Commissioner at Cairo, writes under date September 29, 1938, that the Government of Palestine has given formal notice of its intention to terminate the Palestine-Syria Customs Agreement of June 1, 1929, which is subject to termination on six months' notice. The agreement will lapse in March, 1939, but steps have already been taken to negotiate a new treaty.

Under the present agreement goods, except tobacco and tombac, pure alcohol, spirituous liquors, salt and matches, and any goods that may be agreed upon, wholly produced or manufactured in Palestine, Syria, or the Lebanon, are admitted to the other territory free of import duty. Provision is made in the agreement as regards transit goods and foreign goods which have paid duty in one country and are exported to the other.

Mexico

TARIFF INCREASES ON ARTIFICIAL SILK YARN

Mr. R. T. Young, Canadian Trade Commissioner at Mexico City, writes that a Mexican decree, effective October 26, increases the duty on spun artificial silk yarn in skeins of not more than 400 turns per metre from 0.50 to 3.90 pesos per kilogram (from 4.5 to 35 cents per pound); on thread of not more than 400 turns per metre in tubes, cones, spools, or quills, from 0.70 to 4.10 pesos per kilogram (from 6.3 to 37 cents per pound). Duty on artificial silk yarn of one strand and with more than 400 turns per linear metre is increased from 2.50 to 5.80 pesos per kilogram (from 22.7 to 52.6 cents per pound) and on regenerated artificial silk or floss silk from 0.40 to 3.70 pesos per kilogram (from 3.6 to 33.5 cents per pound). There are rates approximately one-third higher unless the importer produces evidence that he has filed a certificate with the Department of National Economy covering the quantity and quality of the merchandise which the department considers that he can import over a period of six months.

Two new classifications apply to artificial short fibres of vegetable origin, known as Sniaficcio, not more than 15 cm. long (about 5.9 inches), the rates being 0.25 peso per kilogram (2½ cents per pound) when in a tangle and 0.55 peso per kilogram (5 cents per pound) when in rolls or tops.

Bolivia

IMPORT OF RICE, SUGAR, AND FLOUR PROHIBITED

Mr. S. G. MacDonald, Acting Trade Commissioner at Lima, Peru, reports that a notice appearing in the Bolivian press of August 2 announced that by order of the Ministry of Industry and Commerce the importation of rice, sugar, and flour was prohibited until further notice. It should be noted that even those merchants possessing foreign exchange outside Bolivia may not utilize such funds for the importation of the commodities mentioned.

FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING OCT. 31, 1938

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, October 31, 1938, and for the week ending Monday, October 24, 1938, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending Oct. 24	Nominal Quotations in Montreal Week ending Oct. 31	Official Bank Rate
Austria	Schilling	.1407	.....	.....	—
Belgium	Belga	.1001	\$.1706	\$.1703	2½
Bulgaria	Lev	.0072	.0126	.0126	6
Czechoslovakia	Koruna	.0296	.0347	.0346	3
Denmark	Krone	.2680	.2144	.2137	4
Finland	Markka	.0252	.0212	.0211	4
France	Franc	.0392	.0268	.0268	3
Germany	Reichsmark	.2382	.4043	.4032	4
Great Britain	Pound	4.8666	4.8037	4.7887	2
Greece	Drachma	.0130	.0088	.0088	6
Holland	Guilder	.4020	.5486	.5479	2
Hungary	Pengo	.1749	.2993	.2985	4
		Unofficial	.1982	.1978	—
Italy	Lira	.0526	.0531	.0529	4½
Yugoslavia	Dinar	.0176	.0230	.0230	5
Norway	Krone	.2680	.2413	.2405	1½
Poland	Zloty	.1122	.1897	.1893	4½
Portugal	Escudo	.0442	.0435	.0434	4-4½
Roumania	Leu	.0060	.0074	.0074	3½
Spain	Peseta	.1930	.0515	.0511	5
Sweden	Krona	.2680	.2474	.2467	2½
Switzerland	Franc	.1930	.2291	.2286	1½
United States	Dollar	1.0000	1.0093	1.0068	1
Mexico	Peso	.4985	.1997	.2002	3
Cuba	Peso	1.0000	1.0084	1.0059	—
Guadeloupe	Franc	.0392	.0268	.0268	—
Jamaica	Pound	4.8666	4.8134	4.7987	—
Martinique	Franc	.0392	.0268	.0268	—
Other British West Indies	Dollar	1.0138	1.0007	.9976	—
Argentina	Peso (Paper)	.4245	.3204	.3193	3½
		Unofficial	.2534	.2527	—
Brazil	Milreis (Paper)	.1193	.0591	.0589	—
British Guiana	Dollar	1.0138	1.0007	.9976	—
Chile	Peso	.1217	.0523	.0522	3-4
		Unofficial	.0404	.0403	—
Colombia	Peso	.9733	.5785	.5770	4
Peru	Sol	.2800	.2019	.2014	6
Venezuela	Bolivar	.1930	.3129	.3121	—
Uruguay	Peso	1.0342	.6320	.6303	—
South Africa	Pound	4.8666	4.7975	4.7825	3½
Egypt	Pound (100 Piastres)	4.9431	4.9250	4.9137	—
China (Shanghai)	Dollar	.....	.1620	.1599	—
Hongkong	Dollar	.....	.2981	.2977	—
India	Rupee	.3650	.3588	.3577	3
Japan	Yen	.4985	.2800	.2792	3.29
Java	Guilder	.4020	.5487	.5478	—
Siam	Baht (Tical)	.4424	.4400	.4390	—
Straits Settlements	Dollar	.5678	.5588	.5568	—
Australia	Pound	4.8666	3.8425	3.8300	3
New Zealand	Pound	4.8666	3.8737	3.8600	2

The Dominion Bureau of Statistics has supplied the following note:—

Foreign exchange quotations displayed little activity during the week under review. After an opening price of \$4.8046 on October 25, sterling touched a peak for the week of \$4.8154 on the following day. It was unable to maintain this level, however, and moved steadily lower to close at \$4.7883 on October 31. Other major European currencies followed the pattern set by sterling. Volume of market operations was said to be small and traders displayed little interest. Notwithstanding the fact that the London gold price remained above shipping parity throughout the week, gold still continued to move to New York. The United States Federal Reserve report for the week ended October 26, however, indicated an increase of only \$43,000,000 over the previous week as compared with increases in former weeks amounting to over \$100,000,000. The Canadian dollar improved its position in terms of United States funds during the week ended October 31. The premium on the United States dollar receded $\frac{7}{32}$ of 1 per cent between October 25 and 31, closing at \$1.007.

TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

Secretary, Board of Trade—

Saint John, N.B.
Halifax, N.S.
Quebec, P.Q.
Montreal, P.Q.
Toronto, Ont.
Chatham, Ont.

Kitchener, Ont.
Brantford, Ont.
Stratford, Ont.
Woodstock, Ont.
St. Mary's, Ont.
Portage la Prairie, Man.

St. Boniface, Man.
Winnipeg, Man.
Vancouver, B.C.
New Westminster, B.C.

Secretary, Chamber of Commerce—

Sherbrooke, P.Q.
Kingston, Ont.
Oshawa, Ont.
Belleville, Ont.

Peterborough, Ont.
London, Ont.
St. Catharines, Ont.
Hamilton, Ont.

Victoria, B.C.
Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.—

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

Secretary, Canadian Manufacturers Association—

Toronto, Ont.
Montreal, P.Q.

Winnipeg, Man.
Edmonton, Alta.

Vancouver, B.C.
Victoria, B.C.

Director, Trade Extension, Victoria, B.C.

Commodity	No.	Location of Inquirer	Purchase or Agency
Foodstuffs and Feedstuffs—			
Canned Apricots.....	536	Antwerp, Belgium.....	Purchase and Agency.
Feed Oats (Clipped).....	537	Port of Spain, Trinidad....	Purchase or Agency.
Bran, Shorts, Middlings, Etc....	538	Belfast, Northern Ireland..	Agency.
Miscellaneous—			
Ladies' Underwear (Silk).....	539	Nicosia, Cyprus.....	Agency.
M.G. Sulphite Paper, M.G. Kraft Paper.....	540	Tel Aviv, Palestine.....	Agency.
Dolly Clothes Pins.....	541	Glasgow, Scotland.....	Agency.
Silver Fox Pelts.....	542	New York City, New York..	Purchase.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Montreal

To Liverpool.—Duchess of York, Nov. 11; Duchess of Atholl, Nov. 18; Duchess of Bedford, Nov. 25; Montrose, Nov. 25—all Canadian Pacific; Antonia, Cunard-White Star Line, Nov. 18; Svaneffjell, Fjell Line, Nov. 19.

To London.—Beaverburn, Nov. 11; Beaverdale, Nov. 18; Beaverford, Nov. 25—all Canadian Pacific; Auranian, Nov. 11; Ascania, Nov. 18; Ausonia, Nov. 25—all Cunard-White Star Line; Ravneffjell, Fjell Line, Nov. 16.

To Manchester.—Manchester Port, Nov. 10; Manchester Commerce, Nov. 17; Manchester Progress, Nov. 24; Manchester Citizen, Nov. 28—all Manchester Line; Svaneffjell, Fjell Line, Nov. 19.

To Southampton.—Duchess of Richmond, Canadian Pacific, Nov. 24.

To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.—Bristol City, Bristol City and Dominion Lines, Nov. 23; Dorelian, Cunard-Donaldson and Dominion Lines, Nov. 12.

To Glasgow.—Athenia, Nov. 11; Delilian, Nov. 18; Letitia, Nov. 25—all Donaldson-Atlantic Line.

To Newcastle and Leith.—Cairnmona, Nov. 9; Cairnross (also calls at Dundee), Nov. 16; Cairnvalona, Nov. 23; Cairnglen, Nov. 30—all Cairn-Thomson Line.

To Aberdeen and Hull.—Kelso, Nov. 10; Consuelo, Nov. 29—both Ellerman's Wilson Line.

To Dublin and Belfast.—Kenbane Head, Nov. 6; Fanad Head (does not call at Dublin), Nov. 17; Melmore Head, Nov. 21—all Head Line (cargo accepted for Cork and London-derry).

To Hamburg and Bremen.—Beaverford, Canadian Pacific, Nov. 25 (does not call at Bremen); Bochum, Hamburg-American Line, Nov. 18.

To Norwegian Ports.—Svane fjell, Fjell Line, Nov. 19; Norefjord, Nov. 14; Topdalsfjord, Nov. 20—both Norwegian-American Line.

To Antwerp and Havre.—Beaverdale, Canadian Pacific, Nov. 18 (does not call at Havre); Brant County, Nov. 13; August, Nov. 29—both County Line; Ravnefjell, Fjell Line, Nov. 16 (does not call at Havre).

To Rotterdam.—Lista, Nov. 6; Grey County, Nov. 23—both County Line; Ravnefjell, Fjell Line, Nov. 16.

To Marseilles, Genoa, Leghorn, Naples, Messina, Palermo, Gibraltar and Lisbon.—Capo Noli, Capo Line, Nov. 24 (will also call at Cadiz and/or Seville and/or Casablanca if sufficient cargo offers).

To St. John's, Nfld.—Bencas, Nov. 21; Anna (also calls at Bay Roberts, Harbour Grace, Carbonear and Port Union), Nov. 22; Imogene, Nov. 28 or 29—all Shaw Line; Belle Isle, Newfoundland-Canada SS. Ltd., Nov. 18 and 28 (also calls at St. Pierre-Miquelon).

To Cornerbrook, Nfld.—New Northland, Nov. 8; Gaspesia, Nov. 16—both Clarke SS. Co. *To Puerto Rico, Barbados, Trinidad and Demerara.*—Colborne, Nov. 10; Cornwallis, Nov. 24—both Canadian National (call at Guadeloupe and Martinique if sufficient cargo offers).

To Hamilton, Nassau, Kingston and Belize.—Lady Somers, Nov. 9; Cathcart (calls at Kingston only), Nov. 18; Lady Rodney, Nov. 23—all Canadian National.

To Bermuda, St. Kitts, Antigua, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Ary Lensen, Nov. 7; Lundby, Nov. 23—both Ocean Dominion SS. Corp. (call at Guadeloupe and Martinique if sufficient cargo offered).

To Santos and Buenos Aires.—Chr. Sass, International Freighting Corp., Nov. 7 (will call at Rio de Janeiro if sufficient cargo offered).

To Brisbane, Sydney, Melbourne and Adelaide.—Port Montreal, Montreal Australia New Zealand Line, Nov. 25 (will also call at Geelong).

To Auckland, Wellington, Lyttelton and Dunedin.—Port Saint John, Montreal Australia New Zealand Line, Nov. 21.

To Cape Town, Port Elizabeth, East London and Durban.—Biafra, Nov. 15; Calgary (also calls at Freetown, Lourenco Marques and Beira), Nov. 25—both Elder Dempster Lines Ltd.

To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Madras, Rangoon, Calcutta and Singapore.—A steamer, Canada-India Service, Nov. 15.

To Straits Settlements and Dutch East Indies Ports.—Weltevreden, Blue Funnel Line, Nov. 8.

From Quebec

To Liverpool.—Montrose, Canadian Pacific, Nov. 29.

From Saint John

To Liverpool.—Montclare, Dec. 2; Duchess of York, Dec. 9; Duchess of Atholl, Dec. 15—all Canadian Pacific.

To London.—Beaverbrae, Dec. 1; Beaverburn, Dec. 8; Beaverhill, Dec. 15—all Canadian Pacific.

To Manchester.—Manchester City, Dec. 8; Manchester Division, Dec. 15; Manchester Regiment, Dec. 22—all Manchester Line.

To Southampton.—Duchess of Richmond, Canadian Pacific, Dec. 13.

To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.—Dakotian, Cunard-Donaldson and Dominion Lines, Dec. 15.

To Glasgow.—Athenia, Dec. 10; Sulairia, Dec. 21—both Donaldson-Atlantic Line.

To Hamburg.—Beaverford, Canadian Pacific, Dec. 29.

To Antwerp.—Beaverhill, Dec. 15; Beaverdale, Dec. 22—both Canadian Pacific.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Drake, Nov. 9; Lady Nelson, Nov. 23; Lady Hawkins, Dec. 7—all Canadian National.

To Kingston and Jamaican Outports.—Metapan, Nov. 11; Carrillo, Nov. 25; a steamer, Dec. 9—all United Fruit Co.

To Cape Town, Port Elizabeth, East London and Durban.—Bereby, Dec. 15; Mattawin (also calls at Freetown, Lourenco Marques and Beira), Dec. 30—both Elder Dempster Lines Ltd.

From Halifax

To Liverpool.—Nova Scotia, Nov. 12; Newfoundland, Nov. 29—both Furness Line; Manchester Exporter, Nov. 22; Manchester Producer, Dec. 6—both Manchester Line; Montclare, Dec. 3; Duchess of York, Dec. 10—both Canadian Pacific.

To London.—Tiradentes, Nov. 13; a steamer, Nov. 25—both Holland-America Line (also call at Rotterdam); Beaverbrae, Dec. 2; Beaverburn, Dec. 9—both Canadian Pacific.

To Manchester.—Manchester Regiment, Nov. 6; Manchester Port, Nov. 13; Manchester Commerce, Nov. 20; Manchester Progress, Nov. 27; Manchester Citizen, Dec. 1; Manchester City, Dec. 10—all Manchester Line.

To Newcastle and Leith.—Cairnross, Cairn-Thomson Line, Nov. 19.

To Cardiff, Bristol and Swansea.—Montreal City, Bristol City and Dominion Lines, Nov. 22.

To Newcastle, Aberdeen and Hull.—Kyno, Ellerman's Wilson Line, Nov. 23.

To St. John's, Nfld.—Fort Townshend, Nov. 7 and 21; Fort Amherst, Nov. 14—both Furness-Red Cross Line (also call at St. Pierre); Portia, Newfoundland Ry. and SS. Co., Nov. 9; Nova Scotia, Nov. 12; Newfoundland, Nov. 29—both Furness Line; Magnhild (also calls at St. Pierre and Newfoundland outports), Newfoundland-Canada SS. Ltd., Nov. 14 and 28.

To Kingston, Jamaica.—Cavelier, Nov. 7; Cathcart, Nov. 21—both Canadian National.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Drake, Nov. 17; Lady Nelson, Dec. 1; Lady Hawkins, Dec. 15—all Canadian National; Ary Lensen, Nov. 12; Lundby, Nov. 28—both Ocean Dominion SS. Corp. (call at Guadeloupe and Martinique if sufficient cargo offered but not at Nevis or Montserrat).

To Puerto Rico, Barbados, Trinidad and Demerara.—Colborne, Nov. 14; Cornwallis, Nov. 28; Chomedy, Dec. 12—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To Santiago (Cuba) and Kingston (Jamaica).—Kirsten B, Nov. 16; Lillemor, Nov. 30—both Pickford & Black Ltd. (also call at Jamaican outports as cargo offers).

To Far East Ports.—Javanese Prince, Furness-Prince Line, Nov. 21; Silverwalnut, Silver Line, Dec. 3.

From Vancouver

To Yokohama, Kobe and Osaka.—Hikawa Maru, Nov. 19; Hie Maru, Dec. 3; Heian Maru, Dec. 22—all Nippon Yusen Kaisha.

To Yokohama, Kobe, Shanghai, Hongkong and Manila.—Empress of Canada (calls at Honolulu), Nov. 12; Empress of Russia (calls at Nagasaki), Nov. 26; Empress of Japan (calls at Honolulu), Dec. 10; Empress of Asia (calls at Nagasaki), Dec. 24—all Canadian Pacific; Talthebyus, Blue Funnel Line, Dec. 3 (calls at Miike but not at Manila).

To Shanghai.—Ernebank (also calls at Tsingtao), about Nov. 12; Queen Victoria, December—both North Pacific Shipping Co. Ltd.

To Honolulu, Suva, Auckland and Sydney.—Aorangi, Nov. 23; Niagara, Dec. 21—both Canadian-Australasian Line.

To Manila, Iloilo, Cebu, Soerabaya, Samarang, Batavia, Colombo and Bombay.—Silverbeech (calls at Belawan Deli, also at Singapore, Port Swettenham and Penang if cargo offers), Nov. 25; Hoegh Silvercrest (calls at Saigon, Singapore and Persian Gulf ports, also at Port Swettenham, Belawan Deli and Penang if cargo offers), Dec. 1; Hopecrest (calls at Belawan Deli, also at Singapore, Port Swettenham and Penang if cargo offers), Dec. 24—all Silver-Java Pacific Line.

To Papeete, Auckland, Wellington and Sydney.—Hauraki (also calls at Melbourne), Nov. 29; Cape Horn (also calls at Rarotonga, Napier, New Plymouth, Lyttelton and Duredin), early December—both Canadian-Australasian Line.

To Brisbane, Sydney, Melbourne and Adelaide.—Eknaren, Nov. 16; a steamer, December—both Empire Shipping Co. Ltd.

To London, Liverpool and Rotterdam.—A steamer, North Pacific Coast Line, Nov. 12 (will call at Southampton if inducements offer).

To Antwerp, Hamburg and Bremen.—Donau, Nov. 29; Este, Dec. 18—both North German Lloyd Line; Oakland, Nov. 21; Seattle, Dec. 11; Tacoma, Dec. 26—all Hamburg-American Line.

To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.—Oregon, Nov. 13; San Antonia, Nov. 21—both Empire Shipping Co. Ltd.

To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.—Rialto, Nov. 6; Cellina, Dec. 4—both Empire Shipping Co. Ltd.

To Port of Spain (Trinidad) and Bridgetown (Barbados).—Johilla, Canadian Transport Co., Nov. 22.

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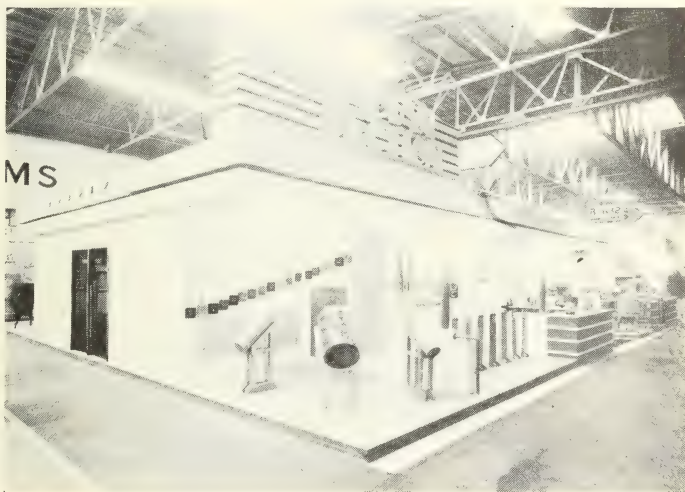


Exhibit of Canadian Timbers, British Industries Fair,
Birmingham, 1938



ISSUED BY AUTHORITY OF
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE
JAMES G. PARMELEE, DEPUTY MINISTER

CONTENTS

	Page
United Kingdom Market for Canned Fruits and Vegetables:	
V. Summary	825
Food Trades' Exhibition at Birmingham	833
Market for Honey in Ireland	834
South African Dairy Industry	835
United States Turnip Market	837
Trade Commissioners on Tour	839
Leather for Portugal	840
Wheat and Flour Trade Regulation in Portugal	840
Wheat and Flour Trade Regulation in Syria and the Lebanon	842
Economic Conditions in Chile	843
Tariff Changes and Customs Regulations	849
Foreign Exchange Quotations	850
Trade Inquiries for Canadian Products	851
Proposed Sailings from Canadian Ports	852
Commercial Intelligence Service	855

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UNITED KINGDOM MARKET FOR CANNED FRUITS AND VEGETABLES

V. Summary

FREDERIC HUDD, CHIEF CANADIAN TRADE COMMISSIONER IN THE UNITED KINGDOM

London, October 26, 1938.—Last year a comprehensive survey was made of the trade in canned fruits and vegetables in the United Kingdom and the position was then outlined, in particular relation to those products which were of importance to Canadian trade, in the areas covered by various Trade Commissioners. The United Kingdom canning industry, the consumption and distribution of various products, and information regarding other aspects of the situation likely to be of interest and assistance to Canadian exporters, were dealt with. This is a reissue and revision of that report.

The United Kingdom is the world's leading export market for canned fruits, which since the war have been imported into this country in increasingly large quantities. Purchases from abroad in 1937 of canned and bottled fruits preserved with sugar (183,100 tons) and of fruit and fruit pulp preserved without sugar (39,600 tons) aggregated 222,700 tons. Due mainly to a marked decline in imports of the latter type, this total was some 5 per cent less than corresponding 1936 imports of 234,300 tons, although imports of fruits preserved with sugar for the first time were slightly lower than the previous year's level. The 1937 figure was still 15 per cent above the annual average for the five years 1929-33, and over 100 per cent higher than the average for the five-year period 1919-23.

Figures relating to United Kingdom production of canned fruits during the past two years are not available, so that no reliable estimate can be made of this country's consumption of fruit in this form. It should be noted, however, that up to 1935-36 there was a marked annual increase in the apparent consumption of canned fruits preserved in sugar. Judging from recent import returns, which account probably for about 90 per cent of the supplies sold in this market, the saturation point seems to have been reached in those years and a further expansion of this country's total purchases from abroad should not be anticipated, although changes in sources of supply as well as in the varieties of fruits imported may conceivably take place from year to year.

DOMESTIC PRODUCTION

The latest complete statistics relating to the production of canned fruits and vegetables in the United Kingdom are for the year 1935, when the total quantity of fruits and vegetables canned amounted to 1,667,000 cwts. Of this figure 1,205,000 cwts. represented canned vegetables, practically half of which may be assumed to have consisted of canned peas, both processed and fresh picked. Of the balance of the canned vegetable output, baked beans was the most important item. The total production of canned and bottled fruits in 1935 amounted to 462,000 cwts., of which 359,000 cwts. were preserved in syrup. The principal varieties of home-grown fruits now being canned in this country include the following: strawberries, raspberries, cherries, apples.

rhubarb, red currants, black currants, gooseberries, plums, blackberries and certain combinations of these fruits. Fruit salad and fruit cocktail packed from imported canned fruits are also fairly important items. Actually, the output of canned fruits in the United Kingdom has shown comparatively little expansion during the past few years. The growth of the canning industry as a whole, however, may be gauged by the fact that the total output of canned fruits and vegetables in 1924 was around 151,000 cwts.

According to the Imperial Economic Committee's recent report, "Supplies of Canned and Dried Fruit 1937," sixty-eight canning factories were in operation during the year. Eight of these were located in Scotland and their output was almost entirely of canned fruits. Production was on a slightly decreased scale as compared with 1936, although packs of certain small fruits such as strawberries and raspberries were of record dimensions. On the other hand, supplies of loganberries and cherries were inadequate while, due to a heavy carry-over from 1936, the plum pack was curtailed. Due to the partial failure of the apple crop in 1937, plans made by some canners to increase their production of this product did not materialize. Further efforts to increase the supply of fresh peas for canning also failed due to poor yields, so that the production of this item also showed no increase. The 1938 season has been less successful than 1937 due to partial failure of practically all small fruit crops. Under normal conditions United Kingdom canners may again be expected to meet most of the demand for small fruits, to the practical elimination in certain cases of Empire and foreign offerings. One recent development worth mentioning has been the increased attention paid by domestic canners to gallon packs of small fruits, such as plums, gooseberries, and black currants, suitable for the catering trade.

It should also be noted that this country's exports of various canned fruits and vegetables, while still of small dimensions, is slowly increasing. In 1937 the following exports were recorded, the 1936 figures being shown in parentheses: canned and bottled fruits, 14,151 (11,901) cwts., of which 7,220 (5,784) cwts. were preserved in sugar; canned vegetables preserved without the addition of sweetening matter, 32,304 (27,795) cwts. of which 17,931 (16,468) cwts. were canned peas.

IMPORTS OF CANNED FRUITS

The principal varieties of canned and bottled fruits preserved in syrup for which the United Kingdom is largely dependent on outside sources, in order of their importance in 1937, are: pineapple, pears, peaches, fruit salad, grapefruit, apricots and apples. In 1937, total imports of these and other fruits in syrup amounted to 3,662,000 cwts. as compared with the record figure of 3,723,000 cwts. shown in 1936. Despite the decline of 2 per cent in volume, the value of this trade in 1937 was £5,959,000, which was slightly higher than in 1936. Details of the total quantities of the leading varieties of fruit preserved in syrup imported during the past four years are given below:—

United Kingdom Imports of Fruits Preserved in Syrup

Fruits	1934	1935	1936	1937
	Figures in Thousands of Cwts.			
Total imports.. . . .	3,450	3,689	3,723	3,662
Pineapples	935	886	1,009	1,014
Pears	769	854	797	825
Peaches	766	888	800	720
Apricots	218	258	279	197
Fruit salad	*	306	279	285
Grapefruit	*	*	173	246
Currants and berries.. . . .	60	59	53	31
Apples	28	30	48	44
Plums	9	19	7	3
Cherries, stoned	5	4	7	6
Other sorts.. . . .	660	385	269	291

* Included in "other sorts."

It will be noted that in 1937 receipts of canned pineapples again created a new record. As compared with 1936 considerable declines took place in imports of peaches and apricots. These declines were offset to some extent by augmented purchases of pears, grapefruit and fruit salad. Pineapples, peaches and pears combined, however, represented almost 70 per cent of the aggregate 1937 imports of canned fruits of this type.

Total imports of canned fruits preserved in syrup during the first nine months of 1938 have been less than one per cent below the figures for the January-September period of 1937. Receipts of canned pears amounted to 551,439 cwts. as compared with 570,908 cwts. in the first nine months of 1937. Canned peach imports amounted to 532,053 cwts., which is about 15 per cent higher than for the corresponding period of 1937.

United Kingdom trade returns separately record importations of fruits and fruit pulp otherwise preserved than with the addition of sugar, the total receipts of which have remained fairly constant in recent years. In 1937 imports of this category, however, amounting to 792,313 cwts., were the lowest recorded since 1924, and represented a decline of 19 per cent from the average for the five preceding years. Almost 70 per cent of the 1937 imports consisted of fruit pulps preserved in sulphur dioxide, although probably imports of whole fruit preserved without sugar amounted to around 243,000 cwts. It is impossible to ascertain exactly the relative importance of the varieties of fruit and fruit pulp imported under this heading, but some indication is given in the following table:—

United Kingdom Imports of Fruit and Fruit Pulp, Preserved without Sugar

Variety of Fruit and Fruit Pulp	1935 Cwts.	1936 Cwts.	1937 Cwts.
Total imports	993,815	962,816	792,313
Apricots	29,685	4,981	2,249
Apples	*	*	126,156
Black currants	70,753	78,887	72,288
Strawberries	209,615	222,638	211,030
Citrus	196,563	153,163	188,221
Raspberries, loganberries and mixed fruits	14,635	47,565	23,199
Other pulp (except apricot pulp)	49,128	27,003	15,808
Other sorts (including apricot pulp)	423,436	428,579	153,362

It should be noted that reclassification of the import returns for 1937 has made it possible to gauge the volume of trade done in gallon apples, the bulk of which are entered under this heading. Of the total imports in 1937 of apples of this description amounting to 126,156 cwts., Canada was credited with 83,897 cwts. and the United States with 41,733 cwts.

SOURCES OF SUPPLY

The United States is the largest single supplier of the leading varieties of canned fruits preserved in syrup imported into the United Kingdom, with the exception of pineapple, in which item Malaya enjoys the greatest volume of trade. Total imports from the United States in 1937 of all fruits preserved in sugar amounted to 1,676,000 cwts., as compared with 1,990,000 cwts. in 1936. That country accounted for 46 per cent of aggregate imports from all sources as compared with 53 per cent the previous year and 65 per cent in 1931. Australia and Canada both made considerable headway as compared with 1936. Imports in this category from these Dominions rose from 377,000 cwts. and 87,000 cwts. to 606,000 cwts. and 112,000 cwts. respectively. Imports from South Africa amounted to 26,000 cwts., which was less than half of 1936 purchases of 54,000 cwts. Receipts of Japanese origin aggregating 239,000 cwts. were some 7,000 cwts. higher than in 1936. Empire countries as a whole supplied 45 per cent of

the imports of such fruit as compared with 38.2 per cent in 1936 and 38.6 per cent in 1935. The 1937 figure was the largest proportion yet recorded and was mainly due to increased receipts of pears and peaches from Australia and Canada and a corresponding loss of trade by United States shippers.

STATISTICS OF ARRIVALS

Statistics of arrivals of individual varieties of canned fruits at United Kingdom ports are more detailed than the import returns and therefore offer a better means of estimating the volume of trade enjoyed by the main supplying countries. Such figures do not, of course, make allowances for transshipment trade. The subjoined table, compiled from returns published by the Imperial Economic Committee, shows the important countries of origin in 1935, 1936 and 1937 for the varieties of canned fruits mentioned. These data account for at least 95 per cent of the total arrivals of these items:—

Canned Fruit Arrivals at United Kingdom Ports, 1935, 1936 and 1937

Fruit	Total Arrivals	United	Australia	Canada	South Africa	Other Important Countries
		States and Hawaii				
Figures in Thousands of Cases						
Apples—						
1935..	582.3	417.5	6.1	158.7	....	.....
1936..	598.6	422.2	2.0	172.9	....	0.5a
1937..	512.5	274.1	3.7	233.0	....	1.7a
Apricots—						
1935..	651.3	441.5	154.9	0.4	43.9	10.3b
1936..	665.9	494.5	122.4	1.9	43.2	3.9b
1937..	489.6	384.8	88.6	1.2	14.9	.....
Peaches—						
1935..	2,219.8	1,623.9	588.7	6.5	....	.....
1936..	1,968.4	1,511.2	417.1	15.8	....	21.9c
1937..	1,733.6	1,026.6	656.9	29.3	....	12.5c
Pears—						
1935..	2,064.2	1,506.5	313.2	217.4	27.0	.....
1936..	2,050.2	1,584.4	316.6	110.5	37.5	.....
1937..	2,054.4	1,159.3	665.7	193.2	30.2	.....
Pineapples—						
1935..	1,893.4	210.4	42.8	....	7.7	1,630.4d
1936..	2,075.7	267.0	10.1	....	15.0	1,781.4e
1937..	2,131.6	256.9	16.5	....	7.0	1,849.7f
Fruit salad and cocktail—						
1935..	799.8	791.8	4.6	....	3.3	.....
1936..	693.7	693.1	*	*	0.6	.....
1937..	713.7	717.1	1.2	0.4	*	.....
Grapefruit—						
1935..	829.4	824.2	....	2.4	0.1	.....
1936..	596.6	592.1	....	1.1	....	.....
1937..	838.9	831.6	....	5.3	*	0.8a
Oranges—						
1935..	223.4	0.6	....	6.2	....	216.3a
1936..	672.4	9.4	....	2.1	....	651.1a
1937..	689.3	19.0	....	....	....	659.1a
Cherries—						
1935..	128.2	14.9	....	8.1	....	103.6g
1936..	85.3	22.5	0.2	16.9	....	45.2h
1937..	128.7	13.1	0.3	17.4	....	84.5i
Plums and greengages—						
1935..	38.1	3.4	1.0	33.3	....	.....
1936..	12.0	8.5	2.5	0.8	....	.....
1937..	2.5	0.4	2.0	*	....	.....
Loganberries—						
1935..	172.2	146.3	*	25.9	....	.....
1936..	156.1	124.2	*	31.7	....	.....
1937..	85.4	23.8	0.4	61.2	....	.....
Blueberries, bilberries and blackberries—						
1935..	4.4	4.3	....	0.1	....	.....
1936..	5.1	5.1	....	*	....	.....
1937..	6.9	5.5	0.3	0.9	....	.....

Canned Fruit Arrivals in the United Kingdom—Concluded

Fruit	Total Arrivals	United States and Hawaii	Figures in Thousands of Cases			Other Important Countries
			Australia	Canada	South Africa	
Raspberries—						
1935..	0.7	0.7	....	*	....	....
1936..	2.2	1.6	....	0.6	....	....
1937..	1.0	*	....	1.0	....	....
Strawberries—						
1935..	8.2	3.2	....	4.3	....	....
1936..	6.3	5.1	*	0.6	....	....
1937..	0.4	*	....	0.2	....	....

* Less than 100 cases.

a, Japan; b, Spain; c, Chile; d, Malaya 1,622,800 cases and Japan 7,580 cases; e, Malaya 1,746,980 cases and Japan 34,470 cases; f, Malaya 1,797,300 cases; "Other Empire," 41,590 cases and Japan 10,820 cases; g, Italy 93,990 cases and France 9,590 cases; h, Italy 41,240 cases and France 3,930 cases; i, Italy, 83,270 cases and France 1,280 cases.

Total receipts from Canada during 1935, 1936, and 1937, of the above-mentioned canned fruits, together with a quantity of miscellaneous and unclassified fruits (1,360 cases in 1935, 16,890 cases in 1936 and 19,830 cases in 1937), totalled 465,000 cases, 373,000 cases and 564,000 cases, respectively.

IMPORTS OF CANNED VEGETABLES

Tomatoes and peas are the only canned vegetables separately classified in United Kingdom import returns. In 1937 receipts of the former totalled 1,176,200 cwts., as compared with 536,000 cwts. in 1936 and 955,100 cwts. in 1935. Imports from Canada, amounting to 203,200 cwts., were over 50 per cent above the previous year's figure; although supplies from Italy, amounting to 781,000 cwts., represented an increase of over 360 per cent above the previous year's record low. Imports of canned tomatoes during the first nine months of the current year amounted to 495,711 cwts., showing a decline in the total trade of about 20 per cent as compared with the corresponding 1937 imports of 621,060 cwts. Lost Italian trade accounts for the bulk of the decrease. The quantity of 89,501 cwts. imported from Canada is over 15 per cent larger than during the first nine months of 1937. Spanish trade with this market in canned tomatoes continues to show a downward trend. Imports from that country in 1937 totalled only 27,000 cwts. as compared with 156,100 cwts. in 1936. No imports of Spanish tomatoes are recorded up to the end of September of this year. Imports of canned peas in 1937 at 20,500 cwts. were 6,100 cwts. higher than in 1936. Belgium was the largest single supplier with 15,700 cwts. as compared with a similar trade in 1936 of 13,500 cwts.

United Kingdom imports in 1937 of other varieties of canned vegetables preserved in airtight containers, but without additional sweetening matter, amounted to 112,200 cwts. Although the varieties are not specified, some idea of the items comprising these shipments may be obtained by reference to export figures of the main countries of supply. In the case of Canada and the United States these include considerable quantities of beans, asparagus, peas and corn.

TRADE WITH CANADA

An encouraging expansion has taken place during the last six years in Canada's exports of canned fruits and vegetables to the United Kingdom. According to Canadian trade returns, during the year ending March 31, 1938, 25,331,184 pounds of canned fruits, with a value of \$1,721,243, were consigned to this country as compared with 9,403,604 pounds valued at \$528,909 for the corresponding 1932-1933 period. Canned vegetables over the same period have shown a steady increase in volume, rising from 4,557,634 pounds valued at \$178,978 to 51,118,733 pounds valued at \$2,242,943. The 1937-1938

figures for canned fruits represent a 25 per cent increase as compared with the preceding year, while Canadian sales of canned vegetables in this market over the same period have increased by almost 40 per cent. Although Canadian sales represent only a relatively small portion of this country's annual aggregate purchases of canned goods, Canada is becoming a more important supplier of such items as tomato products, gallon apples, pears and peaches.

United Kingdom trade returns record importations from Canada in 1937 of 112,000 cwts. of canned and bottled fruits preserved in sugar as compared with a total of 87,000 cwts. in 1936. The items comprising these figures, in so far as they are separately listed, with 1936 figures in parentheses, were: pears, 70,500 (56,700) cwts.; peaches, 16,200 (11,200) cwts.; fruit salad, 700 (nil) cwts.; grapefruit, 2,700 (900) cwts.; small soft fruits, 15,400 (9,100) cwts.; cherries, 4,000 (5,900) cwts.; and plums, nil (1,300 cwts.). Receipts of Canadian fruit and fruit pulp preserved without sugar amounted to 89,600 cwts. in 1937 as compared with 74,600 cwts. the previous year. These importations were comprised mainly of gallon apples (83,897 cwts.), the balance consisting of other varieties of fruit such as strawberries preserved in sulphur dioxide.

Although the above figures together with those given in a preceding section of this report amply illustrate the increased trade enjoyed by Canadian exporters to this market in recent years, the following table based on returns furnished by the Department of Agriculture shows more clearly, in terms of cases, the growth and the extent of the trade of the major items, as well as of certain other canned fruits and vegetables for which trade returns are not sufficiently detailed:—

Canadian Exports of Canned Fruits and Vegetables to the United Kingdom

	1935-36 Aug., 1935, to July, 1936 Cases	1936-37 Aug., 1936, to July, 1937 Cases	1937-38 Aug., 1937, to July, 1938 Cases
Apples	188,681	222,440	309,487
Pears	186,746	114,288	262,524
Peaches	38,730	21,225	30,911
Plums	44,895	390	127
Apricots	675	51	1,703
Loganberries	20,555	26,518	54,120
Strawberries	5,281	497	153
Blueberries	41	325	975
Raspberries	846	455	2,364
Cherries	16,344	19,944	21,050
Rhubarb	2,000	752	1,151
Grapefruit	2,812	2,720	4,059
Fruit salad	30	596	14
Fruit cocktail . . . . .	.....	550	.....
Baby foods . . . . .	.....	5,680	24,903
Tomatoes	165,159	265,894	601,092
Tomato juice	18,241	70,361	94,304
Tomato soup	257,240	836,920	526,935
Tomato catsup	314,019	651,338	513,797

TRADE PRACTICES

Since Canadian shippers to this market must compete for the most part with United States and Australian exporters, brief reference may well be made to the prevailing trade practices and sales methods.

The sales of several large Californian packers for some time have been handled in this country by branch offices of the parent concerns, which through the generally recognized quality of their canned produce and extensive advertising have been able to maintain and even improve their position in the United Kingdom market. The bulk of the trade, however, is still carried on by import merchants or brokers with long-established connections with United States canners, or who have their own buying offices in that country.

With reference to supplies from Australia, an important factor influencing the development and progress of the past few years has been the scheme under which Australian canned fruits—peaches, pears and apricots—have been marketed here. The arrangements are briefly as follows:—

The price for each variety of Australian fruit (peaches, apricots or pears) is decided on at the beginning of each season by the Australian Canned Fruits Board in Melbourne after full consultation with its London office and, through the latter, with the United Kingdom agents of the Australian shippers and also with the wholesale trade. The basic price on which the fruits are sold is one for a quantity of 1,000 cases net, called the "basic minimum net rate." The next, and only, quantitative step above that is for 5,000 cases and upwards, for which the b.m.n. rate is quoted, less a deferred discount of 5 per cent payable after a period of three months following delivery of the fruits. The Australian Board also fixes (at the original request of the wholesale buyers themselves) the prices at which the fruits are to be resold in the United Kingdom. These resale rates are at present in four quantitative steps—250 cases and upwards, 100 to 249 cases, 25 to 99 cases and 1 to 24 cases. The re-selling prices for quantities within these limits are specified under the Board's re-selling conditions, which form part of each contract made. According to these, should any buyer with whom a contract has been made depart from these fixed re-selling prices he stands to lose his 5 per cent deferred discount.

While the import merchant still plays a very important part in the United Kingdom trade in canned goods, the volume of business now being transacted by this specialized type of trader is being influenced as a result of direct purchases made by large departmental and chain stores and co-operative organizations, all of which are regarded as large buyers. Some wholesalers for financial reasons, however, are now buying canned goods in smaller quantities than in former years and importers are again receiving a volume of this trade. The main importers regard themselves as forming a much-required protection against the aggressiveness of the organizations with large buying powers, and they probably do provide the medium-sized and smaller merchants with a competitive source of supply.

United Kingdom canners, with the market improvement in their packs and wider choice of products, have become independent of the usual channels employed for the distribution of imported canned goods, and now canvass the retailers direct through their own sales organizations, which usually also trade in complementary lines of foodstuffs.

PROBLEM OF SUPPLY

The figures here elaborated are indicative of the progress which has been made as a result of the increased attention paid to this market by Canadian exporters since they have enjoyed the benefit of preferential rates of duty in the United Kingdom market and the assistance rendered by Government and other advertising.

This is decidedly not a market in which to dump surplus stocks at irregular intervals. Indeed, this is a practice which has proved highly prejudicial to Canadian sales. It cannot, therefore, be too strongly impressed upon Canadian producers that continuity of supply and the maintenance of quality standards are essential to the expansion of sales in this market.

CONTINUITY OF SUPPLY

The lack of continuity of supply for some lines on the grocers' shelves is, in itself, a hindrance to an increase in demand which might otherwise be expected. The essentially conservative nature of both shopkeepers and consumers is one serious handicap in building up a large volume of business for a comparatively

new product or brand, but in addition it has been found that some of the larger chain organizations purchase spot offers of certain brands of Canadian canned goods from time to time, and when these are sold they are unable to say when further stocks of the same brand will be available. This tends to have an unfavourable effect on the market for Canadian canned goods generally. Furthermore, unless the grocer will make a determined effort to introduce a new Canadian line, his sales are likely to be so restricted that he will hesitate to place repeat orders except on a very limited scale. The result is that those customers who purchased from the original stock may find it difficult or impossible to get further supplies.

LABELLING

Products of high quality, in tins with attractive labels, are equally important, as the greatest appeal to a purchaser, if the product is competitive, is made through an attractive label. This is a matter for the shippers and their distributors here. Its importance cannot be emphasized too much. A popular design of label is one of dignified bright colours, faithfully depicting the fruit or vegetable contained in the can. One well-known brand of imported canned fruits is now being sold in this market under a detailed label which sets forth clearly the number of "caps" or whole pears or peaches which the can contains.

VALUE OF ADVERTISING

Advertising in the United Kingdom is given considerable attention by Canada and Australia in particular. Growing publicity for Canadian products has been secured in the last two years as a result of the "Canada Calling" campaign—a large scale advertising plan. Following this the Department of Trade and Commerce has adopted a policy of concentrating this year's appropriation for Canadian trade publicity in the United Kingdom upon an advertising effort in the Greater London area, prior to a similar concentration in other large consuming areas at a later date. The advertising is now specific rather than general and among the six main products being featured are canned fruits and vegetables. Poster advertising in large display type and bold colours is being carried on hundreds of buses and vans during a nine months' period, together with feature advertising in the London evening papers and suburban press.

The sales policy related to this advertising is designed to concentrate attention upon the ultimate consumer rather than upon the importer, wholesaler or retailer, and in this connection a specially organized force of service representatives is operating. They are conversant with Canadian products and are experienced in canvassing the trade throughout Greater London. Calls are made regularly on the retail grocers, wholesalers and multiple store owners, window displays are arranged, display material is distributed and meetings arranged with the leading importers, so that the representatives are kept fully informed as to the market situation. The advertising and sales campaign is also supported by Canadian participation in various exhibitions. Canadian Government efforts, however, must necessarily be general in character and can be completely effective only if supported by Canadian firms advertising their own special brands and taking full advantage, through their agents or representatives, of the opportunities presented.

It is important that every possible step should be taken to educate the public regarding the use of some of the Canadian food products offered in the United Kingdom market. For example, such products as canned corn and tomato juice are not known to many British people. Furthermore, the use of certain products in the United Kingdom is either different from their use in Canada, as in the case of canned tomatoes, or it is relatively unknown, as in the case of corn-on-the-cob.

FOOD TRADES' EXHIBITION AT BIRMINGHAM

E. L. McCOLL, CANADIAN TRADE COMMISSIONER

Bristol, October 21, 1938.—The Food Trades' Exhibition organized by the Birmingham and Midland Counties Grocers' Association, which was held at Bingley Hall, Birmingham, from October 4 to 13 inclusive, was an outstanding success. It was one of the most representative food displays ever staged in the provinces. The opening ceremony was performed by the Lord Mayor of Birmingham, who was supported by the President and the Committee of the Grocers' Association, together with prominent manufacturers, wholesalers, and leading members of the Birmingham Master Bakers' Association.

Although the preceding week, which coincided with the European crisis, was full of uncertainty and many manufacturers wavered as to the advisability of erecting their stalls, by insisting that the exhibition was going to be held, the promoters opened it on time, with the stands ready and all of the 60,000 square feet of space booked to capacity.

FACTORY TO TABLE DISPLAYS

The show was promoted by the private retail traders of the city, but the exhibitors were, in the main, manufacturers and wholesalers. It was intended as a place where buyers in the trade could meet manufacturers and the public could see the latest and the best articles produced. It was a story of Britain's food from factory to table.

Besides the exhibits of many of the leading firms in the food trades, there were displays by the Ministry of Agriculture and Fisheries, the Dominion of New Zealand, the Australian Government, the Indian Government, and the Government of Ireland. The French Government, under the direction of their Committee of Propaganda, was represented by a very attractive exhibit of a large variety of cheese. The Indian Coffee Expansion Board and the National Milk Publicity Council of Great Britain also had separate stands.

The fair included a very wide assortment of bottled and canned fruits, vegetables, pickles, meats, sauces, and edible oils and extracts. There were entire exhibits devoted specifically to hams and bacon, cheese, butter, flour, and other staples.

One newspaper stated that the Birmingham area ranks next to London in providing the largest grocery market in the country; and another publication that the private trader is responsible for 70 per cent of the turnover of retail shops in the Birmingham territory.

EDUCATIONAL COMPETITION

Additional to the consumer publicity, the wholesalers and retailers co-operated in an educational scheme leading to improved distribution technique, better salesmanship, service, and publicity. Experts were in attendance to explain and to advise. Competitions were held in the making of confectionery, of which there were twenty-eight classes; in tea blending, coffee roasting and blending, window displays, and the art of salesmanship. In this field of the exhibition's activity the grocers themselves came under the critical gaze of masters when they entered these contests, several of which were of a highly technical character.

The attendance at the fair was a record one and the exhibitors expressed themselves as very pleased with the amount of business secured and the publicity achieved. The sale of small, inexpensive samples was a general policy. One exhibitor stated that he had made 20,000 sales at a penny each.

MARKET FOR HONEY IN IRELAND

JAMES CORMACK, CANADIAN TRADE COMMISSIONER

Dublin, October 27, 1938.—Honey is one commodity commonly imported into Ireland which is subject to a high rate of duty. The rate is 1s. per pound, which is about equivalent to 200 per cent ad valorem. No preferential rate of duty is accorded to any country. The high import duty was designed to encourage the Irish beekeepers, the bulk of whose production is comb honey, to produce sufficient honey for the home market.

A considerable amount of honey, however, is imported free of duty under licences granted by the Minister of Agriculture. These licences are only issued as a rule to manufacturers. During 1937 and this year there was an almost complete failure of domestic production as a result of unfavourable weather and consequent disease among bee colonies, and there has been a considerable extension in the granting of these free-of-duty import licences during this period.

PRODUCTION

Domestic production in good years is valued at about £3,000. In 1936, when there was a bumper crop, local producers were getting only 5d. to 6d. per pound for all they could offer, while London prices were about four times as great. At one time there was a good export market for Irish honey in the United Kingdom, but that market was closed by import duties during the trade war. These duties have now been removed by the United Kingdom-Ireland Trade Agreement, under which Ireland is entitled to "Empire" treatment in that respect in the United Kingdom market.

IMPORTS

The big demand in imported honey, which forms roughly 75 per cent of the total quantity consumed, is for an inexpensive type suitable for use by local manufacturers. Practically all such buyers purchase their requirements in ton or larger lots from London. One large firm of biscuit manufacturers imports some 20 tons per annum direct from the exporting country, but the requirements of other manufacturers are not sufficiently large to make such buying profitable or necessary.

The following table gives the quantities of honey, including artificial honey, imported into Ireland in the years 1935, 1936, and 1937, together with the countries of supply:—

Imports of Honey into Ireland

Country	1935 Cwts.	1936 Cwts.	1937 Cwts.	1935 £	1936 £	1937 £
Total	104	584	892	179	1,178	1,720
Great Britain	17	6	69	39	13	122
Northern Ireland .. . . .	...	...	...	2	...	...
Canada .. . . .	...	87	19	...	219	48
Chile .. . . .	...	103	304	...	190	547
Mexico .. . . .	...	100	34	...	176	68
United States .. . . .	...	...	125	...	...	287
Australia .. . . .	...	180	207	...	308	371
Other countries	87	108	134	138	272	277

Up to April 1, 1935, the figures are classified by country of consignment. After that date they are classified by country of origin.

PRICES AND PACKS

Quotations are always ex wharf London. London salesmen visit Ireland from time to time and canvass all buyers. At time of writing, honey buyers in London are quoting to importers here 26s. per cwt. of 112 pounds ex wharf London for Australian honey. Quotations for Jamaican and Guatemalan honey are 36s. to 38s. and 37s. 6d. per cwt. respectively, while Californian, which is superior in flavour and suitable for domestic use, is quoted up to 48s. per cwt. Most of the honey comes in cases of two 56-pound tins. This is the popular pack. Honey from the West Indies in barrels of 3 cwt. is sometimes seen.

CANADIAN HONEY

Canadian section honey is known in the Irish market, but it is not popular because of its high price and because a couple of years ago a quantity of it arrived in a "mushy" condition. Local importers have a long memory. They state, however, that they would welcome competitive Canadian quotations, especially for the cheaper honey. Small samples to show colour and flavour accompanied by quotations in sterling c.i.f. Dublin or Liverpool, if sent to this office by interested Canadian exporters, would gladly be placed before possible purchasers and a report made on the sales prospects.

SOUTH AFRICAN DAIRY INDUSTRY

G. R. HEASMAN, CANADIAN TRADE COMMISSIONER

Cape Town, October 11, 1938.—South Africa is self-supporting in the matter of dairy products. There are 41 creameries and 101 cheese factories registered in the Union. Production of butter in 1936 amounted to 33,000,000 pounds and in 1937 to 28,350,000 pounds; while cheese production in 1936 amounted to 11,000,000 pounds and in 1937 to 10,250,000 pounds. Cheddar and Gouda are the main types of cheese produced.

Since South Africa is subject to periodic and severe droughts, the production of dairy products from year to year varies considerably and, as a consequence, exports also vary.

EXPORTS

Exports of butter in 1936 amounted to 9,250,000 pounds, in 1937 to 7,155,000 pounds, and for the first six months of this year were slightly over 2,250,000 pounds.

Exports of cheese in 1936 amounted to 1,364,000 pounds, in 1937 to 1,600,000 pounds, and for the first six months of 1938 to 909,000 pounds.

IMPORT CONTROL AND DUTIES

The import of butter into South Africa is prohibited, unless under permit. Permits are issued only during periods of low production, when it becomes necessary, as in 1937, to bring in overseas supplies for a few months because of the threat of a shortage. The duty is nominally 2d. per pound from New Zealand, and 2½d. from all other countries.

While the import of cheese is not prohibited, the duty is so high for all kinds of cheese, except full-cream cheese, as practically to preclude any importation. As regards full-cream cheese, regulations under the Foods, Drugs, and Disinfectants Act necessitate the analysis of any new cheese which may be im-

ported into the Union. After such analysis it is then placed on the approved list of the Department of Customs, and subsequent shipments are permitted entry without trouble.

The duty on cheese made from milk or cream from which no fat has been extracted and to which no animal or vegetable fat has been added is 25 per cent ad valorem or 5½d. per pound, whichever duty shall be the greater, when imported from the United Kingdom or New Zealand. Upon such cheese from all other countries the duty is 30 per cent ad valorem or 6d. per pound, whichever shall be the greater. Other kinds of cheese from all countries are subject to a duty of 25 per cent ad valorem and, in addition, a duty of 6d. per pound, which makes their importation practically prohibitive.

In the case of full-cream cheese there is a rebate of 2d. per pound on such classes as are not produced in the Union and as the Minister of Customs may prescribe.

CHEESE CLASSIFICATIONS

Regulation No. 10 under the Foods, Drugs, and Disinfectants Act specifies that cheese shall contain not less than 45 per cent of milk fat in its water-free substance and be free from foreign fat. Cheese containing less than 45 per cent of milk fat in its water-free substance shall be deemed to be skim-milk cheese, and labelled "Skim-milk Cheese" in 30-point type. Cream cheese shall contain not less than 60 per cent of milk fat in its water-free substance and shall not contain any foreign fat or any preservative.

Cheese intended for immediate consumption in its fresh state without being subjected to any process of pressing or ripening, which is manufactured from skim-milk and to which cream has been added, may be labelled "Skim-milk Cheese (Creamed)" in 30-point type, but such cheese must contain at least 20 per cent of milk fat in its water-free substance.

REGULATION OF DAIRY INDUSTRY

The South African dairy industry is largely influenced by Federal Government regulations or acts. In 1930 a Dairy Industry Control Act was passed, which established a Dairy Industry Control Board. This board is charged with the duty of regulating the supply of butter and cheese in the Union of South Africa in such a way as to ensure a reasonable return to the farmer for his products.

This object is attained by regulating the supply of butter and cheese on the domestic market through the export from the Union of any surplus. In illustration of the close prices maintained from year to year, the average price of butter in the Union in 1936 was 1s. 3·4d.; in 1937 it was 1s. 3·5d.; and the average price up to the end of July of this year was 1s. 4·7d.

Since prices obtainable for butter and cheese in the overseas markets are less than the domestic price, it becomes necessary to subsidize these exports. Funds to reimburse the exporters are obtained by the Dairy Industry Control Board by means of a levy of 1d. per pound on all butter and cheese offered for sale in the Union. These funds are used not only to subsidize exports but also to enable a certain quantity of butter and cheese to be distributed in the Union at a special price to certain charitable institutions.

There is under consideration at the present time a Union and Dairy Products Marketing Scheme to take the place of the old Dairy Industry Control Act. This scheme, which would be administered by a similar Dairy Industry Control Board, is more comprehensive than the old Act. Owing to criticism, its adoption is being delayed.

UNITED STATES TURNIP MARKET

R. G. C. SMITH, ASSISTANT TRADE COMMISSIONER

New York, October 29, 1938.—The consumption of turnips in the United States is comparatively inelastic, varying little from year to year. For the most part the market is supplied from Canada, particularly in so far as the better-quality turnips are concerned.

IMPORTS OF TURNIPS

The following table gives the average imports of turnips for the period 1925-29 and the imports for the years 1930 to 1937 inclusive, and, by way of comparison, the price of imports reduced to a percentage of the 1931-35 average price, the potato production in the United States, also expressed as a percentage of the average, and the average weighted wholesale price of potatoes on the New York market for the season beginning September of each year and ending in May. As a further comparison it gives the index of departmental store retail sales (as representing the buying pressure in the larger cities, where most of the turnips are sold) for the month of December, with a plus or minus sign indicating improving or receding conditions during the September-May period:—

Year Beginning July 1	Imports (1,000 Lbs.)	Value as Per Cent of Average Price	Wholesale Potato Price per Bushel	U.S. Potato Production Per Cent of Average	Business Index
1925-29 Average.. . .	130,007	96	\$1.65	92.2	—
1930..	96,474	107	1.18	89.7	100—
1931..	101,996	73	.65	101.3	86—
1932..	93,084	78	.64	99.3	69—
1933..	92,357	147	1.18	90.4	70+
1934..	91,667	103	.58	107.0	75+
1935..	116,975	99	1.06	101.9	80+
1936..	132,674	121	1.37	87.0	91+
1937..	114,905	123	.....	103.7	92—

FACTORS AFFECTING IMPORTS

The foregoing comparisons have been made to show the influence of different factors that might logically be expected to affect the import trade in turnips. In general it is accepted by most dealers that the consumption of turnips is not subject to important fluctuations, and the past history of this trade confirms such an opinion. However, there are obviously certain factors that do have some influence and these are considered under the following headings: import duties, volume of Canadian production (and therefore, price), United States potato production, general business conditions, weather conditions, domestic production, and supply of other vegetables.

Import Duty.—The import duty on turnips was 12 cents per 100 pounds prior to June 17, 1930, when it was raised to 25 cents. The Canada-United States Trade Agreement reduced it to the present rate of 12½ cents per 100 pounds. The effect of these tariff changes is readily discernible in the import figures. The increase shown for the year 1935 was a direct result of the lowering of the tariff, inasmuch as imports up to the end of December of that year were about average, while for January-June of 1936 (when the reduction in duty was operating) they were the highest in recent years.

Volume of Canadian Production.—Comparisons of imports with the volume of Canadian production do not show any consistent relationship between them. The reason is undoubtedly that the United States draws almost entirely on Prince Edward Island and Ontario turnips, so that the total production figure has little influence. A price index of Ontario and Prince Edward Island turnips

would be of value, but lacking it the price shown in the statistics of imports has been taken. On this basis the price appears to have exercised surprisingly little force controlling imports, although when combined with other indexes it becomes more important. During the period 1930-34, when the duty was constant, imports varied little, but the price range fluctuated between wide extremes. Thus, while the low price in 1931 undoubtedly assisted imports in that year, a correspondingly higher price in 1933 had little real effect.

United States Potato Production.—The volume of potatoes available in the United States, with the consequent effect on prices, is held to have a considerable effect on turnip sales, since turnips will be substituted or mixed when potatoes are expensive. The foregoing table seems to bear out this contention. It would appear that the potato market and the selling pressure from Canada, taken in conjunction, may be considered the controlling factors of the turnip consumption, so far as this is variable between narrow limits.

Thus, in 1930, when potato prices were high, imports of turnips were well maintained in quantity in spite of higher prices for that vegetable. Again, in 1931 the low price of potatoes was accompanied by unduly low turnip prices. On the other hand, in 1934, when the price of potatoes was similarly low, there was no correspondingly low price of turnips and imports suffered accordingly.

Since the reduction in duty these factors have continued to operate. The increase in 1935, and particularly in 1936, may be laid to the lower duty, but it is probable that the high price of potatoes in 1936 materially assisted imports of turnips beyond the limit that the duty reductions could have brought about alone. The fall in imports for the year 1937-38 may be explained by the fact that potatoes during the season were relatively cheap (as indicated by the above-average production index).

General Business Conditions.—While general buying conditions obviously must influence the demand for turnips, the table shows that the influence is small and not decisive.

Weather Conditions.—Turnips are known as a cold weather vegetable and a cold winter probably increases the demand for turnips. The last two winters have been unusually mild, so that it is possible the full benefit of the duty reduction has been slightly offset by this factor.

Domestic Production.—Inasmuch as the production of turnips in the United States is of small importance, no statistics are collected. It is, therefore, difficult to judge how strongly the domestic production influences imports. It is probable, however, that domestic turnips are only a minor factor. New Jersey and Long Island turnips enter the New York market in some quantity, but they are inferior to Canadian turnips both in volume and in quality. Undoubtedly this competition has contributed to a falling-off in the last few years in Canadian shipments to New York to some extent.

Supply of Other Vegetables.—With the increased production of green vegetables in California and Florida for the northern markets, the demand for stored vegetables has suffered in recent years. It is doubtful if this development has progressively affected the turnip trade during the last few years, but it is a factor that must be considered in any long-range view. As competition in all foods becomes more intense, advertising by producer groups increases. Without any propaganda to maintain their status turnips are at a slight handicap.

MARKET OUTLOOK

The outlook for sales of imported turnips in the 1938-39 season is not encouraging. The potato crop is only slightly less than last year, and prices for potatoes at present are about the same level as last year. October has been unseasonably mild, so that the demand for turnips has been slow in starting.

In addition, Long Island turnips appear to be more plentiful than usual and the quality is exceptionally good.

So far this season prices on the New York market for Canadian turnips have been slightly lower than they were in the same period of last year. After opening at 65 to 75 cents per 50-pound bag in September, they have ranged from 50 to 55 cents during most of October, as compared with 55 to 65 cents in October, 1937. Waxed turnips are quoted at 65 to 70 cents. Turnips from Long Island and New Jersey have been sold at 25 to 50 cents per bushel (about 55 pounds) at New York. To reduce the foregoing prices to prices f.o.b. New York it is necessary to deduct 5 cents for cartage and loading, 6¼ cents duty, and 3 cents broker's commission.

DISTRIBUTION

New York, Boston, and Chicago are the three principal markets for Canadian turnips. A considerable portion of the New York requirements are unloaded in Newark and thence trucked to New York. Deliveries of turnips at New York and Newark combined for the calendar year 1937 reached 1,039 car-load equivalents as compared with 1,456 in 1936 and 1,220 in 1935. Boston deliveries amounted to 838 cars in 1937, 748 in 1936, and 715 in 1935. Chicago took 370 cars, 398 cars, and 141 cars, respectively, in these years. Detroit, Philadelphia, Cleveland, Cincinnati, and Pittsburgh also take a considerable quantity of turnips, but in no case does the annual consumption surpass 100 cars.

WAXED TURNIPS

The use of waxed turnips is increasing, although they are not so much in demand in the larger cities with a fairly rapid turn-over as in the smaller towns which take their supplies from the city markets. Owing to their better keeping qualities the retail distributor in a small town may buy waxed turnips in car-load lots. In the cities waxed turnips are becoming more popular towards the end of the shipping season. For example, during the period January to April last year waxed turnips sold between 75 and 80 cents per bag on an average and ended the season at 85 to 90 cents, as compared with 55 to 60 cents for unwaxed turnips during that period. Up to the end of December the difference in price seldom exceeded 10 cents.

TRADE COMMISSIONERS ON TOUR

Mr. J. C. Macgillivray, Canadian Trade Commissioner at Berlin, Germany (whose territory includes Czechoslovakia and Poland); and Mr. J. L. Mutter, Canadian Trade Commissioner at Johannesburg, South Africa (whose territory includes the Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland), are visiting the principal industrial centres of Canada in the interest of Canadian trade with their respective territories. Their itineraries are as follows:—

Mr. Macgillivray

Toronto and Weston .. . Nov. 14 to 23	London and Ingersoll.. . Nov. 26
Kitchener .. . Nov. 24	

Mr. Mutter

Toronto and district .. . Nov. 14 to 19	Hamilton, Simcoe and
Guelph.. . Nov. 21	Winona .. . Nov. 29 and 30
Kitchener and district .. Nov. 22 to 24	Galt .. . Dec. 1
London and district .. . Nov. 25 and 26	St. Catharines and
Paris and Brantford .. . Nov. 28	Welland .. . Dec. 2

Firms who wish to be brought in touch with the Trade Commissioners should communicate: for Toronto, with the office of the Canadian Manufacturers Association; and for the other centres, with the respective Board of Trade or Chamber of Commerce.

LEATHER FOR PORTUGAL

As the result of a recent visit to Portugal of Mr. A. B. Muddiman, Canadian Trade Commissioner in Milan, a number of important trade inquiries for leather have been submitted to the Department. These are listed on page 851 of this issue of the *Commercial Intelligence Journal*. Canadian firms who are interested in shipping leather to Portugal will be supplied with full details on application to the Department of Trade and Commerce, Ottawa. The types covered by these inquiries are box calf, kid, and black patent leathers.

WHEAT AND FLOUR TRADE REGULATION IN PORTUGAL

A. B. MUDDIMAN, CANADIAN TRADE COMMISSIONER

WHEAT

Milan, Italy, October 18, 1938.—In common with other European countries, Portugal in recent years has aimed at self-sufficiency in wheat. The present regime has carried on with varying success a campaign to make the country nearly, or wholly, self-sustaining in the production of this commodity. So far this goal has been attained only in 1932 and 1934. Save for occasional bad crops, however, Portugal has for years produced most of the wheat required for domestic consumption. It should be noted, too, that Portugal's per capita consumption of wheat is lower than in the rest of Europe.

Generally, the Portuguese wheat is of semi-hard type and is drier than French wheat. About 40 per cent of the domestic crop is hard wheat, mainly pollards and durums. These are of impure quality, however, producing low-grade semolina.

DOMESTIC PRODUCTION

Before the Great War the average annual production of wheat in Portugal was about 12,000,000 bushels. This quantity was about 3,000,000 bushels short of local consumption needs at that time. Since the war there has been a rise in consumption—slight per capita—and production has also increased. From 1929 to 1933 the average annual production rose to more than 15,500,000 bushels, the yield per acre from 9.5 to 12.3 bushels, and the acreage by 200,000 acres over the average for the previous five years. In 1932 and 1934 there were bumper crops amounting to 23 and 20 million bushels, respectively.

The population of Portugal is approximately six million and its annual consumption needs are about 20 million bushels. In addition, 50,000 metric tons are required for seed and 100,000 tons for farmers' personal consumption. The Portuguese Government is attempting to supply the Madeira Islands with wheat from the Portuguese territories of Angola on the west coast of Africa.

The following table shows the wheat acreage and production for the years 1934, 1935, 1936, and 1937:—

	Area in Acres	Production in Bushels
1934..	1,344,224	24,662,400
1935..	1,386,231	22,864,100
1936..	1,156,428	8,624,500
1937..	*	14,459,800

* Not available.

IMPORTS

Due to the wheat campaign, the average annual imports of wheat during the five-year period 1929 to 1933 dropped to almost half the average quantity

imported in the previous five years. Including a small quantity of flour they amounted to 3,700,000 bushels. Exports were negligible during these years.

The latest available import figures are those for 1936. These show total wheat imports of 3,207,844 kilograms for that year. The principal countries of supply and quantities supplied were as follows: Roumania, 2,614,130 kilos; the United States, 300,552 kilos; Canada, 293,162 kilos. Imports of wheat flour amounted to 3,224,532 kilos, the principal countries of supply being the United Kingdom with 2,330,557 kilos, the United States with 540,294, Canada with 170,534, France with 138,485, and Poland with 44,662 kilos.

IMPORT REGULATIONS

The present regime in Portugal has established strict regulation of the importation of wheat and of the wheat and flour trade within the country. The Government fixes by decree the quantity of wheat to be imported and the periods in which it may be imported. Decrees permitting the importation of wheat are issued only when a shortage in production necessitates the purchase of outside supplies. In actual practice, this takes place after the Government's investigating commission has determined the deficit between the domestic crop and consumption needs. When a decree permitting the importation of wheat has been issued, the duty on the quantity to be imported is then fixed by special decree.

Open market trading in imported wheat is prohibited. Portuguese millers must buy all the domestic crop on offer at prices fixed by decree, the disposal of the domestic crop being held of primary importance. The quantity of foreign wheat that each mill may use is also fixed on the basis of its production capacity.

TENDERS FOR WHEAT

When the Government decides to import wheat, tenders are called. The wheat may be of any origin, but preference is given to Manitoba No. 3, hard winter No. 2 and No. 3, Rosafé, Baril, Baruso, and also Australian. The specific weight must not be under 80 kilos, as a rule, and the maximum of impurities must not exceed 2 per cent. The ports of delivery are Lisbon and Leixoes. The cargo must be insured for full c.i.f. invoice value, plus 2 per cent, and until final discharge from lighters. Payment is made through an irrevocable credit opened with a specified London bank for acceptance of shippers' drafts at 90 or 180 days (according to period indicated when calling for tender) from date of first presentation of shipping documents. In the case of war risks, under the terms of the "Waterborne Agreement," any excess premium above $\frac{1}{2}$ per cent is for the account of the buyers.

It should be noted that the successful tenderer is generally required, within three days from the date of allotting the tender, to open irrevocable credit in favour of the buyers in a first-class Lisbon or Oporto bank as a guarantee of contract fulfilment. This credit has in the past amounted to £2 per ton of wheat sold. It can only be cancelled at the conclusion of the contract of supply and when claims, if any, have been adjusted. This guarantee is also to cover any loss or damage incurred through the non-fulfilment of contract by sellers. Specific weight under the minimum of 80 kilos will be considered as a failure to comply with the terms of the contract.

When applicable, the London Corn Trade Association contracts will govern conditions which are not specified. Any doubts arising between sellers and buyers in the determination of the specific weight of the wheat will be decided by the London Corn Trade Association in the terms of the contracts. Any other conditions will be decided by the Portuguese courts, namely, that of the guarantee of the minimum specific weight when dealing with American and Australian wheats.

MARKET PROSPECTS

Although the exact quantity of this year's crop of wheat has not yet been officially determined, it is generally conceded that Portugal will shortly be in the market for wheat. There are various views as to the amount likely to be required. According to one estimate, the amount required will range from 100,000 to 190,000 tons, to be purchased in three or more lots. Canadian shippers should place themselves in touch with their local agents in case of possible eventualities in this connection.

FLOUR

No wheat flour may be imported into continental Portugal except a limited quantity for ships' stores. For example, about 2,500 barrels are imported annually for the use of the Portuguese fishing fleet. In the islands of Madeira and the Azores, imports of flour are occasionally allowed by special authority.

Under a law of July 24, 1933, which regulated the milling industry, issued a code governing cereals, and created a national federation of wheat producers, the Government has complete control of the marketing and milling of wheat. It requires producers to declare their total crop and stipulates that 32,000 metric tons of wheat shall be distributed monthly to millers. It prohibits the opening of new mills and provides for the closing of mills that do not operate at least 120 days per annum. It lays down milling regulations.

A decree dated February 2, 1934, stipulated that the acidity content of flour intended for public consumption should not exceed 0.05 per cent. Flour in Portugal cannot be bleached or otherwise chemically treated. The moisture content must not exceed 15 per cent.

The regulations governing bread-making were slightly modified last year when a mixing law was passed allowing 15 per cent adulteration of the flour utilized for baking. The Government fixes the price of flour and of bread, as well as of wheat.

MILLING INDUSTRY

Portugal has over 350 flour mills with a daily milling capacity of about 40,000 barrels, but only about 70 of these mills are of commercial importance. Many of the others are merely of the stone-buhr type. The finest mill in Portugal is probably the army mill at Lisbon. There are too many mills for national needs and the Government is slowly eliminating unsuccessfully operated mills. The better mills are of the roller type.

WHEAT AND FLOUR TRADE REGULATION IN SYRIA AND THE LEBANON

HENRI TURCOT, CANADIAN TRADE COMMISSIONER

Cairo, October 3, 1938.—In general, this year's crop of wheat in Syria and the Lebanon is rather above the average and considerably better than in 1937.

Official estimates of the yields of wheat in Syria and the Lebanon for 1938 and yields in 1937 are shown in the following table, the quantities being in quintals (approximately 220 pounds):—

	1938 (Estimate) Quintals	1937 Quintals
Syria—		
Northern District	1,500,000	620,000
Lattakia and District	305,000	300,000
Central and Southern Districts	*	1,469,450
Sanjak of Alexandretta	*	305,000
Jebel Druze	*	120,000
Lebanon—		
Whole territory	405,000	305,000

* Figures not yet available.

MARKET CONDITIONS IN SYRIA

The ban on exports of wheat instituted by the High Commissioner's decree of October 16, 1937, was lifted by a further decree dated June 25, 1938, but put into effect again recently on account of the international situation.

On one or two occasions in the last twenty months the Syrian Government has imported quantities of wheat duty-free to counteract internal speculation, but it is not expected to make any further imports for some time at least.

Apart from possible purchases by the military authorities for their own purposes, it is not anticipated that any flour will be imported into Syria as the production of flour in Syria is sufficient to meet local consumption and leave a surplus for export.

SITUATION IN THE LEBANON

Exports of wheat from the Lebanon were prohibited on October 16, 1937, because high prices abroad had induced producers to export wheat, leading to a shortage and consequent speculation in prices. This ban is still in force. In order to stabilize prices and obviate such possibilities, the Government in several instances has imported quantities of hard wheat duty-free and disposed of them to the civil population, and is now creating an "Office du Blé" for this purpose in the future.

The Lebanese President, on his return from France a few weeks ago, stated that he had arranged for a short-term advance from the Banque de Syrie et du Grand Liban, in case of need, of 20,000,000 francs (approximately \$546,000), to be used for purchases of wheat from abroad and to be repaid over a period not exceeding six to eight months out of returns from the sales of this wheat. These purchases of wheat will be made, so far as envisaged at present, from Syria, Iraq, and possibly Tunisia.

It is estimated that from 30,000 to 40,000 tons of wheat will have to be imported during the next twelve months into the Lebanon, which produces as a rule only about half the flour required for its internal consumption.

ECONOMIC CONDITIONS IN CHILE

S. G. MACDONALD, ACTING TRADE COMMISSIONER

[One Chilean peso equals 5 cents Canadian approximately; one quintal equals 101.4 pounds (in Chile); one metric ton equals 1,000 kilos of 2.2 pounds each]

Lima, Peru, September 23, 1938.—Conditions in Chile in 1937 were characterized by higher world prices for and increased sales abroad of the most important export commodities of the country. As a result economic activity in Chile was at a higher level than at any time since 1929. At the close of the year, however, there was a decline in prices, which affected particularly the copper-mining industry. In the mining field, production, with the exception of nitrates, exceeded the 1929 levels, while export values advanced beyond those reached in 1936. Wages were higher in 1937 than in the previous year, while bank collections and deposits reached higher figures. Currency circulation was greater, although the peso was slightly lower in value in terms of stable foreign exchanges. Government income was also increased as compared with the previous year, due to the increased revenue from customs duties and internal taxes, and living costs increased in proportion to the resulting more prosperous conditions. In general, conditions in Chile in 1937 were better than for a number of years previously.

The depression which began in the United States in 1937 was not greatly felt in Chile until well after the beginning of 1938, and then not to a very serious extent. The first half of 1938 was marked by increased imports,

decreased exports, and a fairly general but not large decline in domestic trade, agriculture, and mining. The exchange situation throughout the entire period was more difficult than during either half of 1937. The general outlook at the end of June was fairly satisfactory, but careful financing is required not only by the Government but also by industry and commerce during the balance of the year. The prospects for the whole of 1938 are indicative of a general reduction in activities and returns as compared with 1937.

FOREIGN TRADE

As indicated in a previous report (see "Foreign Trade of Chile in 1937," published in *Commercial Intelligence Journal* No. 1789: May 14, 1938, page 777), the value of Chile's foreign trade increased in 1937 to 1,376,455,000 gold pesos from 909,003,000 gold pesos in 1936. This important advance was due principally to the volume of exports, which increased in value by 68·3 per cent, from 562,269,000 pesos in 1936 to 947,589,000 pesos in 1937. Imports also increased but to a lesser extent, namely, from 346,673,000 pesos in the former year to 428,866,000 pesos in the latter.

During the first half of 1938 there was a heavy decline amounting to 34 per cent in the value of exports—to 368,200,000 pesos from 556,800,000 pesos in the comparative period of 1937. This was chiefly due to the decrease in prices on world markets for mining and agricultural products, but there was also a fall in the volume of exports. Imports, however, increased in value from 191,200,000 pesos in the first half of 1937 to 237,600,000 pesos in the second half of that year and 257,100,000 pesos in the first half of 1938. This important increase of over 35 per cent was spread over almost all of the different groups of merchandise.

The balance of trade, which was favourable to Chile in the first half of 1937 to the extent of 365,600,000 pesos, fell to 111,100,000 pesos in the corresponding period of 1938. However, this balance is practically non-existent, as it represents the approximate value of exports the proceeds of which do not return to Chile.

EXCHANGE SITUATION

The foreign trade movement during the past eighteen months is the result not only of changes in the international situation but also largely of monetary conditions in the republic. According to the Banco Central de Chile, if the small revaluation of the peso effected in August, 1937, were disregarded, the export rate has remained virtually stable since 1936. In such circumstances violent fluctuations in the international price level were bound to affect Chilean foreign trade.

The upward tendency of international prices (such as occurred between the middle of 1935 and the middle of 1937) was favourable to exports and unfavourable to imports, just as a fall in prices affects exports adversely and imports favourably. During the first half of 1937 Chile's balance of payments was favourable, and price tendencies in foreign exchanges in the free market were downward. In the first half of 1938 there was an unfavourable trend in the balance of payments, although equilibrium was more or less maintained by the Exchange Control Commission. In the free market, however, the prices of foreign exchanges appear to be always several points higher than the controlled exchange rates, and during the first half of 1938 it has been difficult to obtain foreign exchange when required.

Recently exchange has been made available almost entirely for non-luxury articles, but undoubtedly this situation will improve when greater equilibrium is reached as between exports and imports. Such a situation occurred several times during the first half of 1938 when payments for large shipments of mining

and agricultural products reached Chile. It cannot be anticipated, however, that any real betterment of foreign trade and, in turn, of exchange conditions will take place until international prices for Chile's export commodities again advance.

MINING

An indication of conditions in the mining industry in 1937 is shown by a comparison of indices. In that year the mining index stood at 100·8 (1927-29 equals 100) as compared with 71·4 in 1936 and 30·8 in 1932. Copper, coal, and gold productions exceeded those of 1928 and 1929, but the production of nitrates was low as compared with the period prior to the economic crisis at the beginning of this decade but slightly higher than in 1936. Workers engaged in the mining industry totalled 70,900 in November, 1937, as compared with 67,400 on the same date in the previous year.

Copper production of 397,371 metric tons (the highest on record in Chile) was 62 per cent and 31 per cent higher than in 1936 and 1929 respectively. The monthly average total of workers was 22,020 as compared with 16,810 in 1936. Owing to a rapid fall of visible world supplies in 1936 and the first half of 1937, copper prices were exceptionally favourable during most of the latter year, advancing from an average in New York of 9·2 cents per pound sterling in 1936 to 13 cents in 1937. The voluntary agreement between the principal copper producers to restrict production and maintain prices was not in effect during 1937, but at the turn of the year, with a falling market and believed accumulation of existing supplies, the accord was made effective.

Coal production of 2,000,981 tons in 1937 was the highest on record. This was an increase of 7 per cent and 5 per cent over the two preceding years respectively. Prior to 1937 the year 1935 had recorded the highest production total. A monthly average of 13,916 persons was employed in this industry in 1937, an increase of 5 per cent over the previous year.

As in the cases of copper and coal, the production of gold reached a new high of 9,832 kilos, an increase of 23 per cent over 1936 and 19 per cent above the level of 1935, the previous high for production. The greatest increase was in washed gold, exceeding the 1936 level by 65 per cent, while gold ore and gold in bars of copper increased also, but the production of mined gold, which is only a small proportion of the total, declined considerably.

The total gold output remained relatively stable in the three six-month periods under review, at approximately 4,500 kilos in each period. Mined gold, however, dropped from a total of 232 kilos in the first half of 1937 to 96 kilos in the same period this year.

ASSISTANCE TO THE INDUSTRY

In February of the current year a law was passed providing for the expenditure of 80,000,000 pesos as a subvention to mining companies operating in northern Chile.

The effect of the international situation was reflected in the mining industry in the first half of 1938, when the index for production was but 86·3 as compared with 94·2 in the previous six months and 107·3 in the half-year ended June, 1937. The highest index point was reached in May, 1937, when it stood at 129·6, but in June, 1938, it was only 88·5, a decline of 32 per cent. Copper was the most seriously affected, as there had been a steady fall in output from 219,035 tons in the first half of 1937 to 173,336 tons in the second half and 165,100 tons in the first half of the present year. This reduction was due to international restriction with the object of preventing excessive stock accumulations. The highest price in recent years for electrolytic copper was attained in May, 1937, when £76 per ton was quoted in London and 15·775 cents United

States currency per pound in New York. In June of this year prices touched their lowest levels for some time—£37 per ton and 7·975 cents per pound. Since that time there has been a slight upward reaction. The number of workers in the copper industry remained about the same during the first half of 1938 as during both halves of the previous years.

The coal output totalled 996,300 tons in the first half of 1938 as compared with 964,750 tons and 1,023,600 tons in the first and second halves of 1937 respectively. Although Chilean coal mines are operating to full capacity, the output is not sufficient to meet present domestic needs, and consideration is being given to permitting imports of limited quantities free of duty.

Iron ore production rose from 705,445 tons in the first half of 1937 to 824,257 tons in the second half of that year, but fell away to 776,118 tons in the first half of 1938. The average grade of ore was 60 per cent.

NITRATES

Profits of the Nitrate and Iodine Sales Corporation in the fiscal year ended June 30, 1937, reached £2,415,042, an increase of 14 per cent over the previous fiscal year. The debts of the nitrate industry to the Banco Central de Chile, which in 1934 totalled 250,000,000 pesos, were completely liquidated during the year. Production reached 1,310,200 metric tons, while exports totalled 1,502,300 tons; these figures represented increases of 7 and 14 per cent respectively over those for the fiscal year 1935-36. Sales of iodine advanced by 18 per cent. Although final statistics are not yet available for the fiscal year ended June 30, 1938, it would appear that sales of Chilean nitrates in main markets have declined owing to low prices prevailing for cotton in the United States and Egypt. However, substantial gains are reported from other markets, and it is estimated that export totals were approximately the same as for the previous fiscal year. The nitrate industry employed 29,054 persons as of June 30, 1937, as compared with 25,495 on the same date in 1936, and there has been little change in the former total during the 1938 fiscal year. The average daily wage was increased 13 per cent in the 1937 fiscal year as compared with the preceding one.

AGRICULTURE

Stimulated by higher prices and more favourable climatic conditions, agriculture in general showed evidence of prosperity in 1937. Exports of agricultural products reached a total value of 73,600,000 pesos as compared with 64,300,000 pesos in 1936, while live stock showed a notable advance from 47,800,000 pesos in 1936 to 74,400,000 pesos.

Exports of oats, barley, and beans reached higher levels in 1937 than in the previous year, while those of wool, meat, and sheep hides were also greater. Live stock prices in Santiago averaged about 23 per cent higher than in 1936. Wheat, however, the exportation of which was valued at more than 6,000,000 pesos in 1936, was not exported in 1937, and production fell from 8,600,000 quintals in the former to 7,700,000 quintals in the latter year. In order to maintain prices at normal levels and to keep internal markets supplied, the Committee of Agricultural Exports was forced to purchase both wheat and flour from abroad for sale in Chile at prices fixed by the committee. While details are lacking for the first half of 1938, information available indicates that both output and exports of agricultural products and live stock were below the levels reached in the first half of 1937.

FINANCE

Revenue shown in the budget for 1937, including 85,700,000 pesos carried over from the previous year, reached 1,522,300,000 pesos, while expenditures totalled 1,478,500,000 pesos, leaving a balance of 43,800,000 pesos as of Decem-

ber 31, 1937. The ordinary budget did not include income or expenditure approved under special laws, which totals reached 111,000,000 pesos and 75,000,000 pesos respectively, nor payments on either domestic or foreign debts.

The 1938 budget provided for income of 1,622,000,000 pesos and expenditure of 1,620,900,000 pesos. The estimated income included the balance carried over from the previous year, which at first was calculated at only 20,900,000 pesos but later was estimated by the Controller General at 43,800,000 pesos.

Ordinary receipts of the Government, including the surplus of 43,800,000 pesos at the close of 1937, totalled 787,700,000 pesos as at June 30, 1938, while ordinary expenditures amounted to 756,600,000 pesos on the same date. Custom House receipts in the first half of the present year advanced to 435,900,000 pesos as compared with 352,600,000 pesos in the first half of 1937. It is unlikely, however, that this important increase will be maintained during the second half of 1938, as there is a tendency towards a reduced volume of imports as compared with the first half of the year. Other revenues also advanced to 293,800,000 pesos in the first half of 1938 from 279,000,000 pesos in the comparative period of 1937. In general, the prospects for the second half of the present year are not entirely unfavourable, but it is doubtful if a budget surplus will be forthcoming.

Gold reserves of the Central Bank of Chile (calculated on the old metallic parity of 0.183057 grains of fine gold per peso) amounted to 144,195,981 pesos at the end of 1937, while obligations affecting the gold reserves totalled 955,654,770 pesos, resulting in a gold reserve percentage of 15.09. At the end of the previous year the corresponding totals were 143,175,912 pesos of reserve, obligations of 930,007,474 pesos, and a gold reserve percentage of 15.4. Notes in circulation averaged 1,024,000,000 pesos in 1937 as compared with 924,200,000 pesos in 1936. Commercial bank loans reached 2,020,100,000 pesos and deposits 1,854,400,000 pesos, increases of 7 per cent and 9 per cent respectively over the corresponding totals in 1936.

Deposits have not increased in the past several years to the same extent as during the period 1933 to 1935, when bank credits showed a strong advance following the depression of 1932.

PUBLIC DEBT

The total public debt of 5,086,000,000 pesos on December 31, 1937, was a slight decrease from the total of 5,193,000,000 pesos at the corresponding date in the previous year. Of these totals, the direct external debt amounted to 2,181,000,000 pesos in 1937 and 2,240,000,000 pesos in 1936. The indirect external debt was also reduced to 815,000,000 pesos in 1937 from 912,000,000 pesos at the beginning of the year. On the other hand, both the internal direct and indirect debts showed increases in 1937 from 1,508,000,000 pesos to 1,524,000,000 pesos for the former and from 203,000,000 pesos to 244,000,000 pesos for the latter. The foreign debts in terms of foreign currencies were reduced as follows: United States dollars, 233,608,000 in 1936 to 216,070,000 in 1937; pounds sterling, from 29,525 to 29,139; and Swiss francs, from 118,638 to 116,882.

The commission charged with transactions relative to the public debt applied 50 per cent of the revenue received by the Government from the Nitrate and Iodine Sales Corporation against the foreign debt together with 50 per cent of the revenue received from the copper industry. The other 50 per cent of these funds was employed to retire bonds of the external debt on the open market. In 1937 collections from these sources amounted to \$6,107,000 as compared with \$4,920,000 in 1936. In the beginning of 1938 the payment was at the rate of \$7.86 per each bond of \$1,000 as compared with \$6.05 and \$4.75 on the

corresponding dates in 1937 and 1936 respectively. The payments made in 1937 represented $\frac{3}{4}$ of 1 per cent of interest. The amortization of foreign bonds in the free market reached a nominal value of \$17,538,000, £385,588, and 1,756,000 Swiss francs.

CREDIT SITUATION

Advances by the commercial banks are subject to marked seasonal influences. During the agricultural season, September to April, credit operations are increased, while during the following months there is a decline. With these fluctuations advances in 1938 have tended upward. In April, 1937, with the termination of the previous season's periodic rise, advances totalled 1,963,000,000 pesos, falling to 1,929,000,000 pesos in August. From then on there was a steady advance to 2,066,000,000 pesos in April, 1938, which total had fallen only to 2,023,000,000 pesos at the end of June. There was, consequently, an increase in advances of 103,000,000 pesos between April, 1937, and the same date this year as compared with 133,000,000 pesos in the year prior to April, 1937. Due to this decline, the requirements of trade and industry have been curtailed but not sufficiently to affect them seriously.

During the period of the seasonal rise in bank advances from August, 1936, to April, 1937, advances rose by 10 per cent over their former level; during the same period prices of agricultural products increased by 23 per cent. In the period August, 1937–April, 1938, bank credits increased 7 per cent against a decline in agricultural prices of 14 per cent. Thus, bank credits in the latter period, although numerically smaller than in the previous period, were relatively greater.

CREDIT SECURITY

The value of protested bills has steadily increased since 1935, reaching peaks during the latter part of the first half of each year. In May, 1938, protested bills reached the level of 6,000,000 pesos, an increase from previous years not unexpected in view of the larger number of bills discounted. Usually the proportion of protested bills fluctuates slightly around $\frac{1}{2}$ per cent. Bankruptcies totalled 56 in the first half of 1938 as compared with 61 in the second half and 37 in the first half of 1937. Insolvencies showed a greater increase in the 1938 period with 121 as compared with 93 and 45 for the respective periods in 1937.

STOCK MARKET

There was a general reaction in stock movements from the middle of 1936 to March, 1937, when the share index reacted sharply to 177, the highest ever recorded. There were indications of lowered international prices at that time, and the index dropped several points, but it was not until August that an appreciable drop was noted, and by November the index had fallen to 143. Since that time it has been fairly steady, reaching 153 in June of this year. Shares most affected have been those largely dependent on world conditions. Thus the mining companies index, which was 199 in March, 1937, fell to 111 in June, 1938. The index for nitrate shares fell from 14.8 in March, 1937, to 10.4 in December, rising to 12.8 in June last. Shipping shares fell from 143 in March, 1937, to 111 in May of this year, but reacted to 128 in June. The index of bank shares has not varied greatly, being 108 in March, 1937, and 114 in June, 1938. Insurance companies shares index varied from 164 in the former month to 160 in the latter. The industrial shares index dropped from 318 in March, 1937, to 273 in November but returned to 318 by June, 1938. Gas and electricity shares rose slightly from 123 to 133 during the period, while coal companies had a marked advance from 244 to 353.

TARIFF CHANGES AND CUSTOMS REGULATIONS**United Kingdom****QUOTA PAYMENTS ON FLOUR**

With reference to the notice in *Commercial Intelligence Journal* No. 1805 (September 3, 1938), page 398, the Wheat (Quota Payments) No. 5 Order, 1938, of the United Kingdom, effective October 16, increases from 16·8 pence to 2 shillings, the payment to be made to the Wheat Commission in respect of each hundredweight of wheat flour imported into or milled in the United Kingdom. The fund created by these payments is used to reimburse United Kingdom wheat growers to the extent of the difference between the ascertained average price of home-grown millable wheat in any cereal year and the standard price of 10 shillings per hundredweight fixed by the Wheat Act, 1932.

IMPERIAL PREFERENCE CONDITIONS: HICKORY HANDLES

With reference to the announcement in *Commercial Intelligence Journal* No. 1677 (March 21, 1936), page 504, to the effect that manufacturers of wooden handles who are not in a position to certify that Empire wood is exclusively used in the handles which they export to the United Kingdom under claim to Imperial preference must furnish a full cost analysis in the usual form, the Canadian Trade Commissioner in London cables that the United Kingdom Customs, in view of the reduction effective August 20, 1938, from 50 per cent to 25 per cent in the Empire content required in hickory handles (see *Commercial Intelligence Journal* No. 1805: September 3, 1938, page 398), have agreed to withdraw the requirement for costings to be furnished with each shipment of hickory handles, reserving the right, however, to call for costings as and when advisable.

Argentina**IMPORT PERMITS REQUIRED**

Mr. J. A. Strong, Canadian Trade Commissioner in Buenos Aires, cables that import permits will be required, beginning December 1, for all imports into Argentina.

Netherlands**IMPORT RESTRICTIONS ON RUBBER BOOTS**

Mr. J. A. Langley, Canadian Trade Commissioner at Rotterdam, advises that by a royal decree of October 25, 1938, the restrictions on the importation into the Netherlands of rubber boots, to which reference was made in *Commercial Intelligence Journal* No. 1763 (November 13, 1937), page 865, have been extended. During the period from November 1, 1938, to October 31, 1939, inclusive, imports from each supplying country shall not exceed 35 per cent of the number of pairs imported during 1934. The previous quota was the same. A certificate of origin is required for entry of this commodity.

It is specified that the Minister of Economic Affairs may grant special quotas to designated countries.

French Colonies**WHEAT AND FLOUR IMPORTS PROHIBITED**

Mr. Hercule Barré, Commercial Attaché in Paris, cables that a decree published in the *Journal Officiel* of November 3, 1938, prohibits the importation of wheat and flour into all French Colonies unless shipped before November 2.

FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING NOV. 7, 1938

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, November 7, 1938, and for the week ending Monday, October 31, 1938, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending Oct. 31	Nominal Quotations in Montreal Week ending Nov. 7	Official Bank Rate
Austria	Schilling	.1407	.1703	.1703	—
Belgium	Belga	.1001	\$.1703	\$.1703	2½
Bulgaria	Lev	.0072	.0126	.0126	6
Czechoslovakia	Koruna	.0296	.0346	.0346	3
Denmark	Krone	.2680	.2137	.2139	4
Finland	Markka	.0252	.0211	.0211	4
France	Franc	.0392	.0268	.0267	3
Germany	Reichsmark	.2382	.4032	.4033	4
Great Britain	Pound	4.8666	4.7887	4.7912	2
Greece	Drachma	.0130	.0088	.0088	6
Holland	Guilder	.4020	.5479	.5474	2
Hungary	Pengo	.1749	.2985	.2985	4
	Unofficial		.1978	.1978	—
Italy	Lira	.0526	.0529	.0529	4½
Yugoslavia	Dinar	.0176	.0230	.0232	5
Norway	Krone	.2680	.2405	.2407	1½
Poland	Zloty	.1122	.1893	.1894	4½
Portugal	Escudo	.0442	.0434	.0435	4-4½
Roumania	Leu	.0060	.0074	.0074	3½
Spain	Peseta	.1930	.0511	.0514	5
Sweden	Krona	.2680	.2467	.2508	2½
Switzerland	Franc	.1930	.2286	.2284	1½
United States	Dollar	1.0000	1.0068	1.0068	1
Mexico	Peso	.4985	.2002	.2033	3
Cuba	Peso	1.0000	1.0059	1.0059	—
Guadeloupe	Franc	.0392	.0268	.0267	—
Jamaica	Pound	4.8666	4.7987	4.8010	—
Martinique	Franc	.0392	.0268	.0267	—
Other British West Indies	Dollar	1.0138	.9976	.9981	—
Argentina	Peso (Paper)	.4245	.3193	.3194	3½
	Unofficial		.2527	.2522	—
Brazil	Milreis (Paper)	.1193	.0589	.0588	—
British Guiana	Dollar	1.0138	.9976	.9981	—
Chile	Peso	.1217	.0522	.0522	3-4
	Unofficial		.0403	.0403	—
Colombia	Peso	.9733	.5770	.5770	4
Peru	Sol	.2800	.2014	.2014	6
Venezuela	Bolivar	.1930	.3121	.3121	—
Uruguay	Peso	1.0342	.6303	.6302	—
South Africa	Pound	4.8666	4.7825	4.7350	3½
Egypt	Pound (100 Piastres)	4.9431	4.9137	4.9137	—
China (Shanghai)	Dollar	.....	.1599	.1595	—
Hongkong	Dollar	.....	.2977	.2982	—
India	Rupee	.3650	.3577	.3577	3
Japan	Yen	.4985	.2792	.2793	3.29
Java	Guilder	.4020	.5478	.5487	—
Siam	Baht (Tical)	.4424	.4390	.4390	—
Straits Settlements	Dollar	.5678	.5568	.5566	—
Australia	Pound	4.8666	3.8300	3.8325	3
New Zealand	Pound	4.8666	3.8600	3.8483	2

The Dominion Bureau of Statistics has supplied the following note:—

Foreign exchange dealings were at a minimum during the week ended November 7, and consequently the position of foreign currencies in terms of Canadian funds was practically unchanged from the previous week. Sterling opened at \$4.7822 on November 1 and gained approximately 1 cent to close at \$4.7909 on the 7th. Traders at this time were carefully watching the outcome of the Reynaud program and its possible effect on the French franc. Changes in the Belgian belga and Netherlands florin were only fractional between November 1 and 7. Movement of bullion to New York still continued but only on a minor scale as compared with former weeks. The United States dollar, after holding steady at a premium of $\frac{3}{8}$ of 1 per cent for four days, firmed slightly to $\frac{1}{16}$ on the 6th, which proved to be its closing point for the week.

TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

Secretary, Board of Trade—

Saint John, N.B.	Kitchener, Ont.	St. Boniface, Man.
Halifax, N.S.	Brantford, Ont.	Winnipeg, Man.
Quebec, P.Q.	Stratford, Ont.	Vancouver, B.C.
Montreal, P.Q.	Woodstock, Ont.	New Westminster, B.C.
Toronto, Ont.	St. Mary's, Ont.	
Chatham, Ont.	Portage la Prairie, Man.	

Secretary, Chamber of Commerce—

Sherbrooke, P.Q.	Peterborough, Ont.	Victoria, B.C.
Kingston, Ont.	London, Ont.	Prince Rupert, B.C.
Oshawa, Ont.	St. Catharines, Ont.	
Belleville, Ont.	Hamilton, Ont.	

Windsor Chamber of Commerce, Windsor, Ont.—

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

Secretary, Canadian Manufacturers Association—

Toronto, Ont.	Winnipeg, Man.	Vancouver, B.C.
Montreal, P.Q.	Edmonton, Alta.	Victoria, B.C.

Director, Trade Extension, Victoria, B.C.

Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.

Commodity	No.	Location of Inquirer	Purchase or Agency
Foodstuffs—			
Sardines (Canned).....	543	Nicosia, Cyprus.....	Agency.
Sardines (Canned).....	544	Larnaca, Cyprus.....	Agency.
Flour.....	545	Port of Spain, Trinidad....	Purchase or Agency.
Miscellaneous—			
Socks, Artificial Silk.....	546	Nicosia, Cyprus.....	Agency.
Hosiery, Silk.....	547	Alexandria, Egypt.....	Agency.
Printed Rayon Fabrics.....	548	San Salvador, El Salvador, C.A.....	Purchase and Agency.
Underwear (Men's).....	549	Nicosia, Cyprus.....	Agency.
Leather, Box Calf.....	550	Lisbon, Portugal.....	Purchase and Agency.
Leather, Black Patent.....	551	Oporto, Portugal.....	Purchase and Agency.
Leather, Black Patent.....	552	Beirut, Syria.....	Agency.
Leather, Kid.....	553	Lisbon, Portugal.....	Purchase and Agency.
Hypodermic Syringes.....	554	London, England.....	Agency.
Safety Matches.....	555	Nicosia, Cyprus.....	Agency.
Stove Parts.....	556	Salt River, near Cape Town, South Africa.....	Purchase.

CERTIFICATES OF ORIGIN FOR BRITISH PREFERENCES

Canadian exporters are reminded of the importance of supplying correct certificates of origin for goods entitled to preferential tariff treatment in Empire countries. The regulations to be observed vary enough to preclude use of uniform documentation for the different British markets. As regards the principal market, the United Kingdom, goods regarded as growth or produce require 100 per cent Empire content; optical goods and parts require 75 per cent; a selected list of manufactured goods (see F.T.D. Leaflet No. 95) require 50 per cent; for other manufactured goods 25 per cent Empire content suffices. A small number of ingredients must qualify independently for preference. Each "article" is subject to the preference test separately, so that when machinery, etc., is shipped to the United Kingdom knocked-down each separate assembly or part must qualify in itself to be entitled to preference. Notice 27A of the London Custom House, issued in December, 1936, prescribes appropriate forms as follows: D, 119 (Sale), for growth or produce; E, 120 (Sale), for manufactured goods; F, 121 (Sale), for manufactured tobaccos and sugars; FF, 122 (Sale), a supporting certificate for ingredients.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Montreal

To Liverpool.—Duchess of Atholl, Nov. 18; Duchess of Bedford, Nov. 25; Montrose, Nov. 25—all Canadian Pacific; Antonia, Cunard-White Star Line, Nov. 18; Svanefjell, Fjell Line, Nov. 19.

To London.—Beaverdale, Nov. 18; Beaverford, Nov. 25—both Canadian Pacific; Ascania, Nov. 18; Ausonia, Nov. 25—both Cunard-White Star Line; Ravnefjell, Fjell Line, Nov. 16.

To Manchester.—Manchester Commerce, Nov. 17; Manchester Progress, Nov. 24; Manchester Citizen, Nov. 28—all Manchester Line; Svanefjell, Fjell Line, Nov. 19.

To Southampton.—Duchess of Richmond, Canadian Pacific, Nov. 24.

To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.—Bristol City, Bristol City and Dominion Lines, Nov. 23.

To Glasgow.—Delilian, Nov. 18; Letitia, Nov. 25—both Donaldson-Atlantic Line.

To Newcastle and Leith.—Cairnross (also calls at Dundee), Nov. 16; Cairnvalona, Nov. 23; Cairnglen, Nov. 30—all Cairn-Thomson Line.

To Aberdeen and Hull.—Consuelo, Ellerman's Wilson Line, Nov. 29.

To Dublin and Belfast.—Fanad Head (does not call at Dublin), Nov. 15; Melmore Head, Nov. 21; Dunaff Head (does not call at Dublin), Nov. 23—all Head Line (cargo accepted for Cork and Londonderry).

To Hamburg and Bremen.—Beaverford, Canadian Pacific, Nov. 25 (does not call at Bremen); Bochum, Hamburg-American Line, Nov. 18.

To Norwegian Ports.—Svanefjell, Fjell Line, Nov. 19.

To Antwerp and Havre.—Beaverdale, Canadian Pacific, Nov. 18 (does not call at Havre); Brant County, Nov. 13; August, Nov. 29—both County Line; Ravnefjell, Fjell Line, Nov. 16 (does not call at Havre).

To Rotterdam.—Grey County, County Line, Nov. 23; Ravnefjell, Fjell Line, Nov. 16.

To Marseilles, Genoa, Leghorn, Naples, Messina, Palermo, Gibraltar and Lisbon.—Capo Noli, Capo Line, Nov. 24 (will also call at Cadiz and/or Seville and/or Casablanca if sufficient cargo offers).

To St. John's, Nfld.—Bencas, Nov. 21; Anna (also calls at Bay Roberts, Harbour Grace, Carbonear and Port Union), Nov. 22; Imogene, Nov. 28 or 29—all Shaw Line; Belle Isle, Newfoundland-Canada SS. Ltd., Nov. 18 (also calls at St. Pierre-Miquelon).

To Cornerbrook, Nfld.—Gaspesia, Clarke SS. Co., Nov. 16.

To Puerto Rico, Barbados, Trinidad and Demerara.—Cornwallis, Canadian National, Nov. 24 (calls at Guadeloupe and Martinique if sufficient cargo offers).

To Hamilton, Nassau, Kingston and Belize.—Cathcart (calls at Kingston only), Nov. 18; Lady Rodney, Nov. 23—both Canadian National.

To Bermuda, St. Kitts, Antigua, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lundby, Ocean Dominion SS. Corp., Nov. 23 (calls at Guadeloupe and Martinique if sufficient cargo offered).

To Brisbane, Sydney, Melbourne and Adelaide.—Port Montreal, Montreal Australia New Zealand Line, Nov. 25 (will also call at Geelong).

To Auckland, Wellington, Lyttelton and Dunedin.—Port Saint John, Montreal Australia New Zealand Line, Nov. 21.

To Cape Town, Port Elizabeth, East London and Durban.—Biafra, Nov. 15; Calgary (also calls at Freetown, Lourenco Marques and Beira), Nov. 25—both Elder Dempster Lines Ltd.

To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Madras, Rangoon, Calcutta and Singapore.—City of Khios, Canada-India Service, Nov. 26.

From Quebec

To Liverpool.—Montrose, Canadian Pacific, Nov. 29.

From Saint John

To Liverpool.—Montclare, Dec. 2; Duchess of York, Dec. 9; Duchess of Richmond, Dec. 13; Duchess of Atholl, Dec. 15—all Canadian Pacific.

To London.—Beaverbrae, Dec. 1; Beaverburn, Dec. 8; Beaverhill, Dec. 15—all Canadian Pacific.

To Manchester.—Manchester City, Dec. 8; Manchester Division, Dec. 15; Manchester Regiment, Dec. 22—all Manchester Line.

To Southampton.—Duchess of Richmond, Canadian Pacific, Dec. 13.

To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.—Dakotian, Cunard-Donaldson and Dominion Lines, Dec. 15.

To Glasgow.—Athenia, Dec. 10; Sulairia, Dec. 21—both Donaldson-Atlantic Line.

To Hamburg.—Beaverford, Canadian Pacific, Dec. 29.

To Antwerp.—Beaverhill, Dec. 15; Beaverdale, Dec. 22—both Canadian Pacific.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Nelson, Nov. 23; Lady Hawkins, Dec. 7; Lady Drake, Dec. 21—all Canadian National.

To Kingston and Jamaican Outports.—Parismina, Nov. 19; Metapan, Dec. 3; Darien, Dec. 17—all United Fruit Co.

To Brisbane, Sydney, Melbourne and Adelaide.—Kaikoura, Montreal Australia New Zealand Line, Dec. 30.

To Auckland, Wellington, Lyttelton and Dunedin.—City of Glasgow, Montreal Australia New Zealand Line, Dec. 10.

To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Madras, Rangoon, Calcutta and Singapore.—A steamer, Canada-India Service, Dec. 2 and 17.

To Cape Town, Port Elizabeth, East London and Durban.—Bereby, Dec. 15; Mattawin (also calls at Freetown, Lourenco Marques and Beira), Dec. 30—both Elder Dempster Lines Ltd.

From Halifax

To Liverpool.—Newfoundland, Nov. 29; Nova Scotia, Dec. 24—both Furness Line; Manchester Exporter, Nov. 22; Manchester Brigade, Dec. 29—both Manchester Line; Montclare, Dec. 3; Duchess of York, Dec. 10; Duchess of Richmond, Dec. 14—all Canadian Pacific.

To London.—Tiradentes, Holland-America Line, Nov. 13 (also calls at Rotterdam); Beaverbrae, Dec. 2; Beaverburn, Dec. 9; Beaverhill, Dec. 16—all Canadian Pacific.

To Manchester.—Manchester Port, Nov. 13; Manchester Commerce, Nov. 20; Manchester Progress, Nov. 27; Manchester Citizen, Dec. 1; Manchester City, Dec. 10; Manchester Division, Dec. 17—all Manchester Line.

To Southampton.—Duchess of Richmond, Canadian Pacific, Dec. 14.

To Newcastle and Leith.—Cairnross, Nov. 19; Cairnglen, Dec. 2; Cairnesk (also calls at Dundee), Dec. 15—all Cairn-Thomson Line; Kyno, Nov. 23; Bassano, Dec. 8—both Ellerman's Wilson Line (do not call at Leith).

To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.—Montreal City, Nov. 21; Gloucester City, Dec. 23—both Bristol City and Dominion Lines; Dakotian, Cunard-Donaldson and Dominion Lines, Dec. 17.

To Aberdeen and Hull.—Kyno, Nov. 23; Bassano, Dec. 8—both Ellerman's Wilson Line.

To Glasgow.—Athenia, Dec. 12; Sulairia, Dec. 24—both Donaldson-Atlantic Line.

To Copenhagen and Gdynia.—Pilsudski, Nov. 30; Batory, Dec. 13—both Gdynia-American Line.

To St. John's, Nfld.—Fort Amherst, Nov. 14 and Dec. 5; Fort Townshend, Nov. 21—both Furness-Red Cross Line (also call at St. Pierre); Magnhild (also calls at St. Pierre and Newfoundland outports), Newfoundland-Canada SS. Ltd., Nov. 14 and 28, Dec. 12; Portia, Newfoundland Ry. and SS. Co., Nov. 23 and Dec. 7; Newfoundland, Nov. 29; Nova Scotia, Dec. 24—both Furness Line.

To Kingston, Jamaica.—Cathcart, Nov. 21; Cavelier, Dec. 1; Lady Somers, Dec. 8—all Canadian National.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Drake, Nov. 17; Lady Nelson, Dec. 1; Lady Hawkins, Dec. 15—all Canadian National; Lundby, Ocean Dominion SS. Corp., Nov. 28 (calls at Guadeloupe and Martinique if sufficient cargo offered but not at Nevis or Montserrat).

To Puerto Rico, Barbados, Trinidad and Demerara.—Colborne, Nov. 14; Cornwallis, Nov. 28; Chomedy, Dec. 12—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To Santiago (Cuba) and Kingston (Jamaica).—Kirsten B, Nov. 16 and Dec. 14; Lille-mor, Nov. 30—both Pickford & Black Ltd. (also call at Jamaican outports as cargo offers).

To Brisbane, Sydney, Melbourne and Adelaide.—Kaikoura, Montreal Australia New Zealand Line, Dec. 17 (will also call at Geelong).

To Auckland, Wellington, Lyttelton and Dunedin.—City of Glasgow, Montreal Australia New Zealand Line, Dec. 21.

To Far East Ports.—Javanese Prince, Furness-Prince Line, Nov. 21; Silverwalnut, Silver Line, Dec. 3.

From Vancouver

To Yokohama, Kobe and Osaka.—Hikawa Maru, Nov. 19; Hie Maru, Dec. 3; Heian Maru, Dec. 22—all Nippon Yusen Kaisha.

To Yokohama, Kobe, Shanghai, Hongkong and Manila.—Empress of Russia (calls at Nagasaki), Nov. 26; Empress of Japan (calls at Honolulu), Dec. 10; Empress of Asia (calls at Nagasaki), Dec. 24; Empress of Canada (calls at Honolulu), Jan. 7—all Canadian Pacific; Talthybius, Blue Funnel Line, Dec. 3 (calls at Miike but not at Manila).

To Shanghai.—Queen Victoria, North Pacific Shipping Co. Ltd., December.

To Honolulu, Suva, Auckland and Sydney.—Aorangi, Nov. 23; Niagara, Dec. 21—both Canadian-Australasian Line.

To Manila, Iloilo, Cebu, Soerabaya, Samarang, Batavia, Colombo and Bombay.—Silverbeech (calls at Belawan Deli, also at Singapore, Port Swettenham and Penang if cargo offers), Nov. 25; Hoegh Silvercrest (calls at Saigon, Singapore and Persian Gulf ports, also at Port Swettenham, Belawan Deli and Penang if cargo offers), Dec. 1; Hopecrest (calls at Belawan Deli, also at Singapore, Port Swettenham and Penang if cargo offers), Dec. 24—all Silver-Java Pacific Line.

To Papeete, Auckland, Wellington and Sydney.—Hauraki (also calls at Melbourne), Nov. 29; Cape Horn (also calls at Rarotonga, Napier, New Plymouth, Lyttelton and Dunedin), early, December—both Canadian-Australasian Line.

To Brisbane, Sydney, Melbourne and Adelaide.—Eknaren, Nov. 18; Themoni, Dec. 8—both Empire Shipping Co. Ltd.

To London, Liverpool and Rotterdam.—A steamer, North Pacific Coast Line, Nov. 26 (will call at Southampton if inducements offer).

To Antwerp, Hamburg and Bremen.—Donau, Nov. 29; Este, Dec. 18—both North German Lloyd Line; Oakland, Nov. 21; Seattle, Dec. 11; Tacoma, Dec. 26—all Hamburg-American Line.

To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.—Oregon, Nov. 13; San Antonia, Nov. 21; San Mateo, Dec. 6—all Empire Shipping Co. Ltd.

To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.—Cellina, Dec. 4; Leme, Jan. 1—both Empire Shipping Co. Ltd.

To Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques and Beira.—Silverpalm, Silver-Java Pacific Line, Dec. 6 (calls at Calcutta, will also call at Colombo and Madras if sufficient cargo offers); Ousebridge, North Pacific Shipping Co. Ltd., about Nov. 18 (does not call at East London).

To Port of Spain (Trinidad) and Bridgetown (Barbados).—Johilla, Canadian Transport Co., Nov. 22.

To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.—Evanger, Nov. 28; Brandanger, Dec. 27—both Empire Shipping Co. Ltd. (will call at West Coast ports if sufficient cargo offered).

Note.—Firms who desire information concerning ocean and mail services may have their names placed on the mailing list of the Post Office Weekly Bulletin by applying to the Post Office Department.

COMMERCIAL INTELLIGENCE SERVICE

L. D. WILGRESS, *Director*

Argentina

J. A. STRONG, B. Mitre 430, Buenos Aires (1). (Territory includes Uruguay.) *Cable address, Canadian.*

Australia

Sydney: L. M. COSGRAVE. Address for letters—P.O. Box No. 3952V. Office—City Mutual Life Building, Hunter and Bligh Streets. (Territory includes the Australian Capital Territory, New South Wales, Queensland, Northern Territory and Dependencies.) *Cable address, Canadian.*

Melbourne: FREDERICK PALMER. Address for letters—Box 196C, G.P.O. Office—Safe Deposit Office Building. (Territory includes States of Victoria, South Australia, Western Australia, and Tasmania.) *Cable address, Canadian.*

Belgium

YVES LAMONTAGNE, Shell Building, 60 Ravenstein Street, Brussels. *Cable address, Canadian.*

Brazil

L. S. GLASS. Address for letters—Caixa Postal 2164, Rio de Janeiro. Office—Ed. Da. "A Noite," Sala 802, Praca Maua. *Cable address, Canadian.*

British India

PAUL SYKES. Address for letters—P.O. Box 2003, Calcutta. Office—23 Esplanade Mansions, Government Place East, Calcutta. (Territory includes Burma and Ceylon.) *Cable address, Canadian.*

British Malaya

B. C. BUTLER, Union Building, Singapore, Straits Settlements. (Territory includes the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India.) *Cable address, Canadian.*

British West Indies

Trinidad: M. B. PALMER. Address for letters—P.O. Box 125, Port of Spain. Office—Barclay's Bank Building. (Territory includes Barbados, Windward and Leeward Islands, and British Guiana.) *Cable address, Canadian.*

Jamaica: F. W. FRASER, P.O. Box 225, Kingston. Office—Canadian Bank of Commerce Chambers. (Territory includes Haiti, the Bahamas, and British Honduras.) *Cable address, Canadian.*

China

H. A. SCOTT. Address for letters—P.O. Box 264, Shanghai. Office—Ewo Building, 27 The Bund, Shanghai. (Territory includes Central China and North China.) *Cable address, Canadian.*

Cuba

C. S. BISSETT. Address for letters—Apartado 1945, Havana. Office—Royal Bank of Canada Building, Calle Aguiar 75, Havana. (Territory includes Dominican Republic and Puerto Rico.) *Cable address, Canadian.*

Egypt

HENRI TURCOT. Address for letters—P.O. Box 1770, Cairo. Office—22 Shari Kasr el Nil, Cairo. (Territory includes the Sudan, Palestine, Cyprus, Iraq, Syria, Iran, Greece, Turkey, Bulgaria, and Roumania.) *Cable address, Canadian.*

France

HERCULE BARRÉ, Commercial Attaché, 3 rue Scribe, Paris (9). (Territory includes French Colonies in North Africa.) *Cable address, Cancomac.*

Germany

J. C. MACGILLIVRAY, Bendlerstrasse 38, Berlin, W.35. (Territory includes Czechoslovakia and Poland.) *Cable address, Cantracom.*

Hongkong

V. E. DUCLOS. Address for letters—P.O. Box 80, Hongkong. Office—Hongkong and Shanghai Bank Building, Hongkong. (Territory includes South China, the Philippines, and Indo-China.) *Cable address, Canadian.*

Ireland

JAMES CORMACK, 66 Upper O'Connell Street, Dublin, Ireland (*cable address, Canadian*); and 36 Victoria Square, Belfast, Northern Ireland.

CANADIAN GOVERNMENT TRADE COMMISSIONERS—*Con.*

Italy

A. B. MUDDIMAN. Via Manzoni Nr. 5, Milan (102). (Territory includes Spain, Portugal, Gibraltar, Malta, Albania, and Yugoslavia.) *Cable address, Canadian.*

Japan

Tokyo: C. M. CROFT, Commercial Secretary. Address for letters—P.O. Box 18, Akasaka Post Office, Tokyo. Office—Canadian Legation, 16 Omotecho, 3-chome, Akasakaku Tokyo. *Cable address, Canadian.*

Kobe: P. V. McLANE. Address for letters—P.O. Box 230, Kobe. Office—309 Crescent Building, 72 Kyomachi, Kobe. *Cable address, Canadian.*

Mexico

R. T. YOUNG. Address for letters—Apartado Num. 126-Bis, Mexico City. Office—Edificio Banco de Londres y Mexico, Num. 30, Mexico City. (Territory includes Guatemala, Honduras, and Salvador.) *Cable address, Canadian.*

Netherlands

J. A. LANGLEY, Coolingsingel 111b, Rotterdam. (Territory includes Switzerland.) *Cable address, Canadian.*

New Zealand

W. F. BULL. Address for letters—P.O. Box 33, Auckland. Office—Yorkshire House, Shortland Street, Auckland. (Territory includes Fiji and Western Samoa.) *Cable address, Canadian.*

Norway

RICHARD GREW, Stortingsgaten 28, Oslo. (Territory includes Sweden, Denmark, and Finland.) *Cable address, Canadian.*

Panama

W. J. RIDDIFORD. Address for letters—P.O. Box 222, Panama City. Office—Royal Bank of Canada Building, Santa Ana Plaza, Panama City. (Territory includes the Canal Zone, Venezuela, Colombia, Nicaragua, and Costa Rica.) *Cable address, Canadian.*

Peru

M. J. VECHSLER. Address for letters—Casilla 1212, Lima. Office—Portal de Belén No. 166, Plaza San Martin, Lima. (Territory includes Bolivia, Ecuador, and Chile.) *Cable address, Canadian.*

South Africa

Cape Town: G. R. HEASMAN. Address for letters—P.O. Box 683. Office—Cleghorn & Harris Building, Adderley Street. (Territory includes Cape Province and Southwest Africa, Natal, Tanganyika, Kenya, Uganda, Mauritius, and Madagascar.) *Cable address, Cantracom.*

Johannesburg: J. L. MUTTER. Address for letters—P.O. Box 715. Office—Prudential Assurance Bldg., 92 Fox Street. (Territory includes Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland.) *Cable address, Cantracom.*

United Kingdom

London: FREDERIC HUDD, Chief Trade Commissioner in the United Kingdom, Canada House, Trafalgar Square, S.W.1. *Cable address, Sleighing, London.*

London: J. H. ENGLISH, Trade Commissioner, Canada House, Trafalgar Square, S.W.1. (Territory includes Home Counties, Southeastern Counties, and East Anglia.) *Cable address, Sleighing, London.*

London: W. B. GORNALL, Fruit Trade Commissioner, Aldine House, Bedford Street, Strand, W.C.2. *Cable address, Canfrucum.* (Territory—for fresh fruit only—includes United Kingdom, Norway, Denmark, Sweden, France, Holland, Belgium, and Germany.)

London: W. A. WILSON, Animal Products Trade Commissioner, Canada House, Trafalgar Square, S.W.1. *Cable address, Agrilson.*

Liverpool: ACTING TRADE COMMISSIONER, Martins Bank Building, Water Street. (Territory includes North of England, Lincolnshire, North Midlands, and North Wales.) *Cable address, Canadian.*

Bristol: E. L. McCOLL, Northcliffe House, Colston Avenue. (Territory includes West of England, South Wales, and South Midlands.) *Cable address, Canadian.*

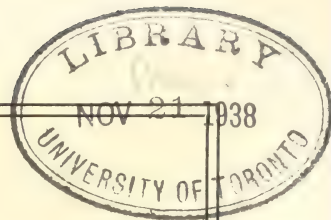
Glasgow: G. B. JOHNSON, 200 St. Vincent Street. (Territory covers Scotland.) *Cable address, Cantracom.*

United States

D. S. COLE, British Empire Building, Rockefeller Center, New York City. (Territory includes Bermuda.) *Cable address, Cantracom.*

Note.—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.

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COMMERCIAL INTELLIGENCE JOURNAL

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Ottawa, November 19, 1938

No. 1816



Manufacturing Flour Barrels in England from Imported
Canadian Staves

ISSUED BY AUTHORITY OF
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE
JAMES G. PARMELEE, DEPUTY MINISTER

CONTENTS

	Page
Tasmania as a Market for Canadian Products.....	857
Trade of Northern Rhodesia in 1937.....	864
Foreign Trade of the Anglo-Egyptian Sudan in 1937.....	867
Trade Commissioners on Tour.....	870
Crop Reports for the Scandinavian Countries.....	871
Prices of Domestic Wheat and Bread in Europe.....	872
Portuguese Rubber Imports.....	872
Egypt's 1937-38 Cotton Season.....	873
Exchange Situation in Brazil.....	875
Commodity Markets of Brazil in 1937.....	876
Estimate of Argentine Corn Crop, 1937-38.....	884
Conditions in the Republic of Honduras, 1936-37.....	884
Japan's Summer and Autumn Cocoon Crop.....	885
Tariff Changes and Customs Regulations.....	886
Foreign Exchange Quotations.....	889
Trade Inquiries for Canadian Products.....	890
Proposed Sailings from Canadian Ports.....	891
List of Publications of the Imperial Economic Committee....	894
Commercial Intelligence Service.....	895

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Vol. LIX

Ottawa, November 19, 1938

No. 1816

TASMANIA AS A MARKET FOR CANADIAN PRODUCTS

FREDERICK PALMER, CANADIAN TRADE COMMISSIONER

Melbourne, October 1, 1938.—Tasmania, although the smallest state of the Commonwealth of Australia, merits the attention of Canadian manufacturers and exporters principally because its import trade is valued at approximately \$35,000,000 annually, despite its small population of only 232,693 (June, 1937), and also because general economic conditions in the island are comparatively free from those sudden and periodic disturbances which tend to affect trade elsewhere.

Before reviewing the opportunities which Tasmania affords Canadian exporters, it is proposed to summarize briefly the more important economic activities which Tasmania has fostered in the past, as well as more recent developments, some of which have a direct bearing on the island's value as a commodity market.

PHYSICAL AND CLIMATIC CONDITIONS

Tasmania is 180 miles in length from north to south and 190 miles in width, but physical conditions are notably varied. The surface is broken by a continual succession of hills and mountains which increase in ruggedness from east to west. Variation in altitude, from sea-level to nearly 4,000 feet on the summer sheep-runs of the central plateau, results in great variability in climate throughout the island, while its location in the paths of the atmospheric cyclonic depressions of the Great Australian Bight produces radical changes in weather conditions every three or four days.

Owing to the fact that the fertility of the soil also runs to extremes, agriculture is not everywhere practicable. Rainfall is by no means constant, varying from 130 inches annually on the west coast to only 18 inches in certain parts of the eastern midlands. The rugged mountains and central plains, while unsuitable for agriculture, furnish the catch basins and storage facilities for the hydro-electric power stations which promise to dominate the future development of Tasmania. Industrial development was arrested nearly forty years ago, when the old colony became a unit of the federated Commonwealth of Australia, one result of which was to concentrate industrial production in the larger centres. The rugged nature of the countryside made for scattered settlements, with communication difficult and expensive. Despite the advantage of cheap transit by sea and rivers, expenditure on highways and railways has been high in proportion to the amount of traffic. This has naturally resulted in a state financial problem which has been offset in recent years by the profitable exploitation of Tasmania's rich mineral resources.

MINING INDUSTRY

Practically every known mineral is obtainable in the island but not always in commercial quantities. Gold once bulked large in the economy of Tasmania; to-day, with higher prices, gold again is important, but the profitable production of tin, copper, and osmiridium tends to dwarf all other metal and mineral activities. Mineral production in 1937 exceeded all previous records, and there is no doubt but that the prosperous conditions obtaining in this industry, including the production of cement and calcium carbide, contribute largely to the present satisfactory situation of Tasmanian industries generally.

On the west coast the Mount Lyell Mines have expanded their operations continually, and are now equipped to handle 4,000 tons of copper ore daily. The equally important Electrolytic Zinc Company of Australia continue to explore the possibilities of certain Tasmanian mining fields, and as a result of their researches are now able to obtain from very complex ores such metals as zinc, lead, silver, gold, and cadmium, while iron pyrites also is being profitably produced. The combined value of the products mined in Tasmania by this company in 1937 aggregated \$3,000,000. Near Hobart, the capital city of Tasmania, this company have established a large plant for the reduction of ores imported from other states. The company is the largest purchaser of power from the Tasmanian Hydro-Electric Commission, as considerably more than half of the power sold in the state (45,000 horse-power) is utilized at the Risdon (near Hobart) reduction plant. This plant, which employs about 1,100 men, is equipped to treat over 350 tons of ore daily. The ore is obtained from the company's own mines on the west coast of Tasmania, from South Australia, or from the famous Broken Hill mining field. The plant is capable of turning out daily nearly 200 tons of zinc and half a ton of cadmium, while the secondary metallurgical operations yield sulphuric acid, which, when combined with phosphate rock, forms superphosphate, so much in demand as a fertilizer:—

The following table shows the production in 1937 of the more important minerals:—

	Quantity	Value
Goldozs.	20,276	\$ 704,508
Silverozs.	1,060,785	383,080
Leadtons	9,117	849,968
Coppertons	12,420	3,037,328
Tintons	1,090	1,042,692
Wolframtons	291	286,572
Osmiridiumozs.	586	36,308
Cadmiumtons	45	72,644
Pyritestons	40,630	174,892
Limestonetons	302,093	329,776
Zinctons	23,481	2,103,296

TIMBER RESOURCES

The *eucalyptus regnans*, locally known as mountain ash, is the most important hardwood timber of Tasmania, somewhat resembling oak in general appearance and in its suitability for furniture and interior finish. The Huon pine, found in the southwest, is a valuable local softwood but has almost disappeared commercially. During the year ending June 30, 1937, a total of 89,822,094 super feet of eucalyptus timber was cut from Crown land forests. The cut of pine timber was 2,911,007 feet; of blackwood, 2,140,978 feet; and of sassafras, 1,862,756 feet. The total value of the timber cut in Tasmania was estimated at \$2,000,000.

PROPOSED PULP AND PAPER INDUSTRIES

The suitability of Tasmanian woods for the manufacture of different types of paper has been the subject of discussion among scientists, and as a result

of large-scale tests, consideration has been given to the erection of two pulp and paper mills. One, located in the northwestern part of the island, is shortly to begin production of writing and wrapping papers, while in the south the construction of a newsprint mill by Messrs. Australian Newsprint Mills Pty. Limited, a company with a capital of more than \$4,000,000, is projected. The first unit will have an estimated capacity of 100 tons a day, with provision for expansion to a total of 400 tons daily. The bulk of the pulp required in these mills will be made from the domestic varieties of eucalyptus trees, but both mills plan to use important quantities of imported pulps of various types.

HYDRO-ELECTRIC POWER

The real beginning of hydro-electric development in Tasmania dates from 1909, when parliamentary authority was first given for the utilization of water from the Great Lake for the generation of electric power. In 1914 the State took over the work of development, and the Hydro-Electric Department was formed.

It has been estimated that 1,750,000 horse-power can be developed from the rivers of Tasmania. By 1916 the first plant, at Waddamana, to develop 10,000 h.p., was completed. By 1919 the reconstruction of the Great Lake scheme had increased the capacity to 66,000 h.p. This was followed shortly by the construction of the Shannon River Power Station, originally designed to develop 14,000 h.p., but which was increased by 1931 to generate 80,000 h.p. In 1929 a Hydro-Electric Commission was created, and in 1934 this body undertook development of the Tarraleah scheme to generate 63,000 h.p. as the first unit of a plan designed ultimately to produce 105,000 h.p. These schemes were based largely on Canadian practice, and in the course of construction the services of Canadian-trained engineers were utilized, while Canadian equipment was required until supplies of Australian production were available.

For a 24-hour service a power user requiring a 50-h.p. block pays at the annual rate of \$60 per horse-power, but with increasing consumption the rate declines steadily until for blocks of from 7,000 to 15,000 h.p. it is \$16 per horse-power per year. For the small power user the rate in city areas is from one to three cents per unit, while in the country districts it varies between one and four cents net per unit.

INDUSTRIAL DEVELOPMENT

The industrial development of Tasmania resembles that of Canada in that it originally was based on the demands of the early settlers and on the availability of local raw materials. For example, the erection of sawmills, flour mills, and woollen mills were natural developments, as were the construction of tanneries, brick kilns, furniture factories, and boot and clothing factories.

As the supply of agricultural products such as milk and fruits exceeded normal domestic requirements, the construction of butter and cheese factories and of jam and preserving works was necessary. The development of industries along these lines continued until Tasmania was incorporated in the Commonwealth of Australia in 1900, thereby agreeing to the principle of free trade between the states of the federation. This free trade federation exposed the Tasmanian factories, particularly those manufacturing consumption goods, to such intense competition from the mainland that only the strongest survived. In fact, until hydro-electric power became available and research made possible the development of Tasmania's natural resources, particularly minerals, industry in the island was adversely affected. However, there is now ample evidence that conditions have improved, and industrial development in many directions is again taking place.

The following table shows the number of factories in operation at present, together with the value of production:—

	No. of Factories	Net Production
Sawmills	220	\$ 1,343,356
Joinery, furniture, etc.	90	543,072
Metallurgical	4	5,168,468
Butter and cheese, etc.	43	423,784
Jam works, etc.	18	627,620
Woollen, tweed and knitting	8	1,501,016
Tailoring and dressmaking	33	276,288
All other	530	9,378,812
Total	946	\$19,262,416

AGRICULTURE

Despite the importance of industrial development in Tasmania, agriculture is still the major occupation of the people. Small holdings are the rule, nearly 85 per cent of the farms being under 500 acres and over 42 per cent less than 100 acres in extent. In all there are some 11,754 individual farm holdings with a total acreage of 6,812,977.

The gross values of the products of these farms in 1936-37 were estimated to have been as follows: agriculture, \$12,660,000; pastoral, \$7,636,000; dairying, \$3,664,000; poultry and bees, \$1,304,000. The principal agricultural crops include wheat, oats, and peas. Potatoes are important in the North of Tasmania, total production in 1936-37 aggregating 138,557 tons (3.75 tons per acre), the bulk of which was sold to the larger cities of the mainland. A total of 136,871 tons of hay was also produced, but with the low yield of 1.53 ton to the acre.

APPLE PRODUCTION

The principal agricultural crop is apples, a greater acreage being devoted to this fruit than to wheat. From 21,609 acres the production of apples in 1936-37 amounted to 4,611,000 bushels. This crop is important in the economy of the island, and on the measure of success which attends the efforts to market it (the bulk of the crop has to be exported, chiefly to the United Kingdom) are based most of the merchandising plans of Tasmanian traders.

The principal apple-growing area is centred in the Huon Valley in the southern part of the island. In Tasmania, however, there are no central packing sheds. The pack is largely handled in the sheds of the growers, a method generally regarded as not making for a high standard of either grading or packing. As a result Tasmanian fruit prices on the London market are expected to be slightly below those quoted for packs of similar varieties from the mainland. The lack of large packing sheds results also in an unusually large number of brands and labels, which further complicates the marketing problem. Various methods are used to grade the fruit, the larger establishments using equipment similar to that used in Canada. The smaller sheds use primitive hand methods of grading for size, which do not make for perfection. A rigorous and effective method of inspection for fresh apples before export is, however, in operation during the shipping season.

SHEEP AND WOOL

The number of sheep in Tasmania has increased from 1,905,000 in 1927 to 2,234,000 in 1936. The wool clip has not reflected this numerical increase, as the clip of 1936-37, totalling 14,067,000 pounds, valued at \$4,800,000, was less than the average for the preceding ten years. The clip since 1928-29 has varied in quantity from 14,035,000 to 16,300,000 pounds. While the effect of variations in climate may have been largely responsible for the failure of the wool

clip to reflect the increase in the sheep population, modern refrigeration is making possible the efficient and economical movement of fat lamb meat, and the development of the fat lamb industry in Tasmania is one of the features of modern agricultural activity.

DAIRYING

The number of cattle in Tasmania has increased from 210,894 in 1927 to 261,597 in 1936, and more than half of this increase was in the number of cattle bred for dairy purposes. The number of milch cattle increased in ten years from 66,902 to 93,657.

The production of butter has also advanced from 6,032,597 to 10,918,278 pounds, while the quantity of cheese manufactured increased from 971,644 to 2,994,227 pounds. In the same period the value of dairy products, including fresh milk and preserved cream, increased from \$2,800,000 to \$3,628,000.

GENERAL CONDITIONS

The progress which Tasmania has made in the past ten years is reflected in improved financial conditions. The total of bank deposits has increased from \$24,680,000 at the end of 1926 to \$36,604,000 at the end of 1937. In 1931 the number of motor trucks in use was 2,169, and in 1936 they totalled 4,011; the number of passenger cars increased from 12,020 to 15,090, while the number of motor cycles decreased from 4,289 to 3,573. In one year, from 1936 to 1937, the number of radio receiving licences advanced from 24,118 to 29,780.

The public debt of Tasmania reflects the improvement in transport facilities, such as roads and railways, and between 1921 and 1927 the debt increased from £18,776,306 to £24,303,068. Since then there has been only a moderate increase to £25,247,540 for the fiscal year 1936-37, while the average rate of interest payable since 1927 has been reduced from 4·908 to 3·763 per cent. Fifty-three per cent of the public debt of Tasmania is redeemable in London, nearly 46 per cent in Australia, and 9 per cent in New York.

State revenues, which more accurately reflect annual fluctuations in business and trade prosperity, have varied from £3,040,220 in 1926-27 to £2,385,495 in 1931-32 and £3,448,524 in 1936-37, the continuous increases since 1932 being of particular significance.

TRADE OF TASMANIA

For the fiscal year ending June 30, 1937, the total trade, import and export, of Tasmania was valued at £21,060,218; this was the highest total ever recorded. Exports were valued at £10,598,676, an increase over the previous year of 13·9 per cent, while the value of imports, both from overseas and from other states of the Commonwealth, was £10,461,542, an increase of 9·2 per cent. Compared with the average of the preceding five years, the value of exports increased by 37·2 per cent and that of imports by 36·6 per cent.

EXPORTS

The following table shows exports of the principal Tasmanian products in the three fiscal years 1934-35 to 1936-37 inclusive:—

	1934-35	1935-36	1936-37
Butter and cheese cwt.	62	62	68
Fruit (fresh) bush.	3,971	3,932	4,144
Fruit (other) lb.	16,891	22,445	20,479
Jams and jellies lb.	16,276	18,274	17,236
Potatoes ton	62	59	76
Carbide ton	6	6	6
Cement ton	39	51	55
Copper ton	11	13	13
Zinc metal ton	57	67	74
Timber sup. ft.	40,638	47,725	47,266
Wool lb.	10,536	12,217	12,081

IMPORTS

The following table shows the value of the principal imports into Tasmania for the fiscal years 1934-35 to 1936-37:—

	1934-35	1935-36	1936-37
Food and drink (except alcohol)	£1,450,756	£1,674,885	£1,806,033
Groceries, unspecified	128,481	134,092	165,779
Drapery, clothing, and textiles	1,428,202	1,591,136	1,601,839
Oils, fats and waxes, paints and varnishes	262,573	359,884	345,274
Metals, metal manufactures, and machinery, including vehicles	1,852,094	2,548,537	2,920,209
Rubber, leather, and manufactures thereof	163,984	173,646	166,327
Timber, wood, and wicker manufactures	114,729	137,337	170,410
Paper and stationery, including books and printed matter	283,904	292,429	308,431

IMPORTS OF INTEREST TO CANADA

Following are details supplied by the Tasmanian Branch of the Commonwealth Bureau of Census and Statistics covering the importation into Tasmania during the fiscal year 1936-37 of a number of products of interest to Canadian exporters:—

Fish, Preserved in Tins, etc., including Salmon.—Total imports, 141,502 lbs. (£3,298): Canada, 134,049 lbs. (£3,070); United States, 5,280 lbs. (£181); United Kingdom, 2,173 lbs. (£47).

Fish, Preserved in Tins, etc., including Sardines and Sild.—Total imports, 52,268 lbs., (£2,051): Norway, 33,601 lbs. (£1,328); United Kingdom, 13,922 lbs. (£573); Canada, 4,745 lbs. (£150).

Cotton Piece-goods (excepting Grey Unbleached).—Total imports, 414,917 sq. yds. (£14,627): United Kingdom, 405,062 sq. yds. (£14,259); Canada, 6,325 sq. yds. (£200); Netherlands, 1,745 sq. yds. (£91); Belgium, 1,187 sq. yds. (£48).

Tools of Trade, Axes, Hatchets, etc.—Total imports, £1,614: United States, £1,138; United Kingdom, £189; Canada, £153.

Tools of Trade, Saws.—Total imports, 241 doz. (£961): United Kingdom, 112 doz. (£167); United States, 38 doz. (£292); Canada, 75 doz. (£486).

Tools of Trade, All Other.—Total imports, £10,273: United Kingdom, £6,398; United States, £2,080; Canada, £1,152.

Motor Car Chassis, Unassembled.—Total imports, £38,554: United States, £25,993; United Kingdom, £12,404; Italy, £157.

Chassis Parts for Vehicles (Motor Cars).—Total imports, £568: United States, £310; United Kingdom, £250; Japan, £8.

Vehicle Parts n.e.i. (Motor).—Total imports, £3,405: United States, £1,940; United Kingdom, £1,433; Germany, £32.

Timber Undressed n.e.i. for the Manufacture of Boxes.—Total imports, 252,880 super ft. (£1,448), all from Sweden.

Minor Articles for the Manufacture of Cases for Exporting Fruit, etc.—Total imports, £29,945: Canada, 2,769,293 super ft. (£21,281); United States, 1,238,403 super ft. (£8,664).

Undressed Timber n.e.i., Douglas Fir, 7 ins. by 2½ ins.—Total imports, 140,159 super ft. (£780), all from Canada.

Undressed Timber, Douglas Fir, 12 ins. by 10 ins.—Total imports, 61,785 super ft. (£332), all from Canada.

Boards, Other.—Total imports, 1,348 cwts. (£1,926): United Kingdom, 446 cwts. (£833); Germany, 399 cwts. (£715); Finland, 316 cwts. (£147); Sweden, 173 cwts. (£210).

Newsprint, Printing Paper, and Printing Paper n.e.i. in Rolls Less than 10 Ins.—Total imports, 45 tons (£508), 1,663 tons (£19,607), and 135 tons (£1,577) respectively, all from the United Kingdom.

Printing Paper n.e.i., in Sheets not Less than 20 Ins. by 25 Ins.—Total imports, 349 tons (£7,489): United Kingdom, 261 tons (£6,264); Germany, 66 tons (£854).

Writing and Typewriting Paper.—Total imports, 2,507 cwts. (£3,866): United Kingdom, 1,835 cwts. (£3,182); Norway, 503 cwts. (£531).

Wall and Ceiling Parts n.e.i.—Total imports, £291, all from Finland.

In addition to the foregoing, there are many other commodities, detailed figures for which are not available, being imported into Tasmania that could be supplied by Canadian exporters if their lines were better known.

ELECTRICAL SUPPLIES AND APPLIANCES

As a result of the intensive development of electric power previously referred to, and of the efforts of the Hydro-Electric Commission to encourage the use of electricity in the home, a valuable market for electrical appliances and accessories is being developed. Such articles as toasters, vacuum cleaners, fans, radiators, hot-water kettles, and water-heating devices, soldering irons, electric washing machines, stoves, refrigerators, and all-electric radio receivers are being distributed in increasing volume and over a wider area.

A number of these appliances are being produced in Australia in adequate volume to meet domestic requirements. There are some lines, however, in which the demand is for imported merchandise. It is suggested that Canadian firms shipping these products to the main ports of the Commonwealth ensure that their distributors are covering Tasmania adequately.

CANNED SALMON

Sales of Canadian canned salmon are well established, but there is need for a careful study of the requirements of the market, particularly with respect to quality, if it is to be held or widened in the face of competition from other sources of supply. There is not the same comprehensive market in Tasmania for other foodstuffs as can be developed on the mainland, but through the efforts of exporters' representatives in the main Australian centres it should be possible to create a greater demand for other foodstuffs of Canadian origin such as sardines, biscuits, jellies, canned corn, and tomato juice, which are becoming known and appreciated elsewhere.

TOOLS AND HANDLES

The market for Canadian tools, handles, and commodities which ordinarily are distributed through the hardware trade can also be developed further. This trade in Tasmania is handled normally through wholesalers who are also direct importers. These wholesalers, of whom there are several of importance in Tasmania, are in a position to give excellent service to retailers, as they generally carry substantial stocks, particularly of the faster moving lines. Most Canadian exporters of these products are already represented in Australia, but these representatives should give special attention to possible needs of Tasmania with a view to increasing their sales.

There is a tendency in Tasmania towards the more general use of Canadian box shooks for packing apples, particularly for export. Although this tendency may not necessarily result in a greater demand for Canadian box shooks, it should make for a greater demand for Canadian timber from which Tasmanian sawmills could cut their own shooks.

FREIGHT DIFFICULTIES

Perhaps the main reason for the retarded development in Tasmania of interest in products of Canadian manufacture is that there is no regular steamship service between Canadian ports and the island. Practically all goods of Canadian origin reach Tasmania through ports on the mainland. This routing naturally involves transshipment, with resulting additional freight charges; Tasmanian costs of production are increased accordingly to cover the higher freight rates on goods imported from Canada.

This matter is now being dealt with by the Chamber of Commerce at Hobart, who suggest that consideration should be given to the desirability of having a vessel sail directly from Canada to Tasmania at regular intervals of two or three months. Advance notice of such sailings would permit Tasmanian importers to arrange to have their Canadian goods properly assembled in

Canada before shipment, possibly utilizing the services of some well-known Canadian forwarding firm, and thereby to receive their purchases in much better condition, since no transshipment would be involved, and at rates lower than they are required to pay at present, possibly as low as those ordinarily quoted to mainland ports.

TRADE OPPORTUNITIES

Tasmanian merchants are ready and willing to increase their purchases of Canadian goods. Canadian firms desirous of entering the Tasmanian market are invited to communicate with the Canadian Trade Commissioner at Melbourne (P.O. Box 196-C), giving details of their products.

Prices should be quoted, first, f.o.b. nearest Canadian seaport, as Australian ad valorem duties are levied on this value, and, secondly, c.i.f. in order that "laid down" values may be computed. Discounts and other information which will enable an importer to determine the competitive prices of the merchandise should also be included in the first letter. For many products, in order to take advantage of the preferential rates of duties, a high Canadian content is required. Canadian exporters therefore should state whether their products have more than a 75 per cent Canadian content. The close co-operation of the shipping companies operating between Canada and Australia in calculating c.i.f. prices can be relied upon, and contact with these companies should be established as early as possible. Canadian exporters should take the fullest advantage of these services and opportunities, as there is a fair market of more than average permanence in Tasmania, with exceptional freedom from seasonal fluctuations.

TRADE OF NORTHERN RHODESIA IN 1937

J. C. BRITTON, ASSISTANT TRADE COMMISSIONER

Johannesburg, October 18, 1938.—According to the annual trade report of Northern Rhodesia both imports and exports in 1937 show marked increases as compared with 1936. Total exports exceeded the combined totals of the two previous years, and imports increased by 75 per cent over those in 1936.

The buoyant condition of Northern Rhodesia's external trade in the year under review resulted from increased activity in the copper mining industry. From the middle of January until the end of September all restrictions on copper output were removed. This, coupled with the high ruling prices for this metal in world markets—the monthly average price in 1937 for standard copper was £55 and for electrolytic copper £60 per ton—brought about boom conditions in the colony.

Following heavy purchases of plant and equipment by copper producers during 1930 and 1931, it was expected that any additional requirements would be confined to normal replacements and consumption goods, and that purchases would decline from the totals of those two years. The increased activity in 1937, however, necessitated heavy purchases of equipment for development and replacement purposes. The increased buying power in the copper belt also reflected an expansion in imports of all descriptions.

As the Copper Restriction Agreement has been operative since the beginning of 1938, the external trade of Northern Rhodesia in the current year will not reach the high level of 1937.

TOTAL TRADE

The following table shows imports, exports, and total trade of Northern Rhodesia for the calendar years 1937, 1936 and 1935:—

	1937	1936	1935
Imports	£ 4,004,402	£2,291,953	£2,902,960
Exports	11,903,712	5,936,692	4,667,870
Re-exports	117,830	100,924	106,709
	<hr/> £16,025,944	<hr/> £8,329,569	<hr/> £7,677,539

PRINCIPAL EXPORTS

Domestic exports from Northern Rhodesia were valued at £11,903,712 in 1937 as compared with £5,936,692 in 1936, an increase of £5,967,020 or 101 per cent. Minerals were responsible for 97 per cent of total domestic exports, copper alone accounting for 90 per cent. These figures clearly emphasize the important part played by the mining industry, to the exclusion of other activities, in the colony's economic welfare. Increases are recorded in the value of exports of copper, zinc, cobalt alloy, fused vanadic oxide, and gold, while exports of vanadium declined slightly. The chief agricultural exports in 1937, namely unmanufactured tobacco, hides, skins and horns, and maize, all show increased values as compared with the previous year.

Values of Northern Rhodesia's principal domestic exports in 1937 and 1936 are shown below:—

	1937	1936
Total domestic exports	£11,903,712	£5,936,692
Copper	10,704,078	4,994,712
Zinc	377,991	334,621
Cobalt alloy	292,328	152,056
Vanadic oxide (fused)	112,170	75,380
Wood, manufactured and partly manufactured	107,634	111,203
Maize	80,446	60,685
Vanadium	44,911	50,191
Tobacco (unmanufactured)	41,779	37,658
Wood (unmanufactured)	40,061	31,425
Gold	28,983	22,962
Hides, skins and horns	23,317	16,604

DISTRIBUTION OF EXPORTS

Domestic exports to Empire countries in 1937 were valued at £6,604,522 (55·5 per cent of total domestic exports) as compared with £3,556,333 (59·8 per cent) in 1936. The United Kingdom was again the chief purchaser, shipments thereto being valued at £6,190,958 (52 per cent) as against £3,153,920 (53·1 per cent) in 1936. Commodities exported to the United Kingdom included copper, £5,689,427 (£2,739,846 in 1936); zinc ingots, £260,159 (£262,961); vanadic oxide (fused), £104,310 (£75,380); and maize, £58,156 (nil). Domestic exports to the Union of South Africa were valued at £323,649 (2·7 per cent) in 1937 as against £294,217 (4·9 per cent) in 1936, and to Southern Rhodesia at £79,539 (0·7 per cent) as compared with £53,294 (0·9 per cent). These countries, together with the United Kingdom, are the main Empire markets for products of Northern Rhodesia.

Considerable quantities of Northern Rhodesia's copper and other mineral products are exported to foreign markets, and as a result the percentage of exports from this colony to foreign countries is somewhat greater than in the case of other Empire colonies in Africa. In 1937 domestic exports to foreign countries were valued at £5,299,190 (44·5 per cent of total domestic exports) as compared with £2,380,359 (40·2 per cent) in 1936. Germany was the principal foreign market, taking exports to a value of £2,987,074 (25·1 per cent) in 1937 as compared with £1,382,854 (23·4 per cent) in 1936. This total was made up chiefly of copper valued at £2,963,190 in 1937, and £1,381,730 in 1936. Italy was next in importance among foreign purchasers, domestic exports to that country being valued at £1,266,374 (10·6 per cent) in 1937 as against £716,147 (12·1 per cent) in 1936. These totals were entirely accounted for by exports of copper. Other important foreign markets were Belgium, £404,768

(3.4 per cent) in 1937 and £119,148 (2 per cent) in 1936; France, £300,600 (2.5 per cent) and £90,285 (1.5 per cent); and the United States, £124,134 (1.1 per cent) and £23,617 (0.4 per cent).

PRINCIPAL IMPORTS

Higher values are recorded in the year under review for all classes of merchandise imports when compared with the previous year. The largest gain is noted in imports under the heading "metals, metal manufactures, machinery, and vehicles," which increased in value from £681,294 in 1936 to £1,680,621 in 1937. This substantial increase may be attributed to heavy purchases for replacement and development by the mining industry.

The principal items imported into Northern Rhodesia in 1937, with the 1936 values shown in parentheses, were as follows: Mining machinery, £510,046 (£182,293); cotton piece-goods, £200,207 (£125,944); blasting compounds, £190,364 (£138,478); coal and patent fuel, £180,998 (£157,976); pipes and piping, £99,265 (£23,655); outer garments, £87,963 (£60,076); motor cars, £87,647 (£55,850); plain, galvanized, plated, and tinned iron and steel plate and sheet, £82,571 (£11,573); building and fire bricks, £78,078 (25,781); motor spirit, £75,318 (£63,678); ale, beer and stout, £72,727 (£51,392); iron and steel manufactures n.e.e., £69,020 (£28,926); underclothing, £66,698 (£45,699); cigarettes, £59,915 (£49,285); unmanufactured wood, £58,034 (£35,679); blankets, rugs, and blanketing, £57,571 (£36,710); angle, channel iron and steel, bar and rod, £54,060 (£16,111); and flour (wheaten), £48,181 (£24,758).

ORIGIN OF IMPORTS

The value of imports into Northern Rhodesia from Empire countries increased from £1,788,335 in 1936 to £2,989,883 in 1937. The percentage of total imports from the Empire declined, however, from 78 per cent in 1936 to 74.7 per cent in 1937. This reduction is mainly accounted for by a decrease in the proportion of imports forthcoming from the Union of South Africa and Southern Rhodesia, as the United Kingdom, the most important supplying country, showed increases in both value and percentage.

The following tables show the values of merchandise imported into Northern Rhodesia from Empire and foreign countries during the calendar years 1937 and 1936, with the percentage credited to each:—

Imports from Empire Countries

	1937		1936	
	£	Per Cent	£	Per Cent
United Kingdom	1,472,739	36.8	801,895	35.0
Union of South Africa	715,814	17.9	436,285	19.0
Southern Rhodesia	623,642	15.6	433,135	18.9
Canada	98,484	2.4	60,292	2.6
India	56,219	1.4	41,368	1.8
Other Empire countries	22,985	0.6	15,360	0.7
Total	2,989,883	74.7	1,788,335	78.0

Imports from Foreign Countries

	1937		1936	
	£	Per Cent	£	Per Cent
United States	474,948	11.9	225,034	9.8
Japan	113,891	2.8	67,926	3.0
Germany	91,079	2.3	31,357	1.4
Belgium	86,446	2.2	40,647	1.8
Austria	52,676	1.3	1,142	...
Belgian Congo	38,360	0.9	30,004	1.3
Dutch East Indies	27,772	0.7	22,670	1.0
Other foreign countries	129,347	3.2	84,838	3.7
Total	1,014,519	25.3	503,618	22.0

IMPORTS FROM CANADA

Imports from Canada into Northern Rhodesia in 1937 were valued at £98,484 (2·4 per cent of total imports) as compared with £60,292 (2·6 per cent) in 1936 and £61,337 (2·1 per cent) in 1935. Increases were recorded in the value of the majority of the main items making up Canada's total in 1937 as compared with the previous year, with a particularly large increase in imports of unmanufactured lumber, from £5,416 in 1936 to £24,439 in the year under review. It is encouraging to note that the list of products comprising Canada's chief imports into Northern Rhodesia is widening, and a few items not previously included appear for the first time in 1937 statistics.

The commodities listed in the following table comprise a large percentage of the imports from Canada into Northern Rhodesia in the calendar years 1937 and 1936:—

Principal Imports from Canada into Northern Rhodesia

	1937	1936
Wood unmanufactured	£24,439	£ 5,416
Motor cars	17,163	12,367
Motor trucks and vans	9,022	8,455
Electrical machinery and material	8,038	9,041
Milk (including cream) condensed, desiccated or preserved	5,417	4,680
Agricultural implements and machinery	4,813	3,171
Tires and tubes	4,283	3,780
Motor car parts and accessories	3,201	2,357
Belting	2,174	1,397
Hosiery (silk and artificial silk)	1,836	1,491
Chassis, motor truck and van	1,788	.....
Wood manufactures, n.e.e.	1,670	635
Pickaxes, shovels, and ballast forks	1,449	617
Mechanics' tools	1,424	443
Industrial machinery, n.e.e.	1,247	1,146
Pipes and piping	1,054	104
Gauze and screening	924	318
Wrapping paper	890	626
Bolts, nuts, rivets, screws, and nails	721	210
Underclothing	607	189
Chains for hauling	492	101
Preserved fish	486	703
Building and fire brick	444	.....
Earth and clays (excluding lime)	428	.....
Apples	404	408
Mining Machinery	404	337

FOREIGN TRADE OF THE ANGLO-EGYPTIAN SUDAN IN 1937

HENRI TURCOT, CANADIAN TRADE COMMISSIONER

[One Egyptian pound (£E.) equals approximately \$5 Canadian]

Cairo, October 4, 1938.—The Sudan annual trade report for 1937, just released, indicates that the prosperous condition of trade which existed at the end of 1936 continued well into last year. Not until the second half of 1937 did it become obvious that the peak of the recovery from the depression of 1930-33 had been passed and that a decline had set in. Fortunately, by that time most of the harvest of exportable produce of the 1936-37 season had been sold at favourable prices. The result was that exports attained a value considerably in advance of the previous record year (1929), and the effect on imports was still being felt at the end of the year.

EXTERNAL TRADE

The value of the total external trade of the Anglo-Egyptian Sudan in 1937 as compared with 1936, exclusive of the figures for specie and transshipment cargo, is shown in the following table:—

	1937 £E	1936 £E	Difference £E
Public imports	4,771,452	3,904,103	+ 867,349
Government imports (incl. sugar) ..	1,511,624	1,470,956	+ 40,668
Total imports	6,283,076	5,375,059	+ 908,017
Exports	8,130,453	5,581,023	+ 2,549,430
Re-exports—			
Government	85,694	469,452	— 383,758
Public	499,349	364,917	+ 134,432
Total imports and exports . . .	14,998,572	11,790,451	+ 3,208,121
Transit goods	241,102	111,881	+ 129,221
Total trade	15,239,674	11,902,332	+ 3,337,342

The principal increases in public imports were in purchases of tea, wheat flour, tobacco, cotton piece-goods, metalware, and machinery. There were only two declines of any note: in imports of cement, following completion of the Gebel Aulia dam on the White Nile, and in coffee imports as a result of lessened demand for the re-export trade. Coal, sugar, metalware, and machinery were the main items responsible for the rise in Government imports. The advance in exports is largely attributable to larger sales of cotton and cotton seed. Existing stocks of these commodities were disposed of and good progress was made with the sale of the record current crop. The large decrease in Government re-exports is accounted for by the fact that equipment and stores which had been imported by the British military authorities were returned in 1936 and there was no similar re-export in 1937.

The visible balance of external trade (excluding specie and transit goods) shows an excess of exports over net imports of £E.2,432,420 for 1937 compared with £E.1,040,333 for 1936. Part of the favourable balance for 1937 is due to realization upon existing stocks of cotton.

CHIEF IMPORTS

Including Government imports of sugar, the greater part of which is resold for public consumption, the principal items of public imports in 1937 and 1936 were:—

Commodity	1937		1936	
	Value £E	Per Cent of Total	Value £E	Per Cent of Total
Total	5,349,003	100.0	4,290,991	100.0
Piece-goods (cotton)	1,105,935	20.7	961,292	22.4
Sugar	581,043	10.9	387,803	9.0
Coffee	216,322	4.0	273,446	6.4
Tea	352,249	6.6	244,065	5.7
Wheat flour	213,607	4.0	111,037	2.6
Metals and metalware	482,671	9.0	259,515	6.0
Motor vehicles, parts and tires . .	204,322	3.8	205,293	4.8
Other machinery	183,282	3.4	122,216	2.8
Tobacco, cigars, cigarettes . . .	183,162	3.4	171,448	4.0
Sacks	123,510	2.3	115,797	2.7

The main items of Government imports, excluding sugar, were:—

Commodity	1937 £E	1936 £E
Total	934,073	1,084,068
Aircraft and machinery	167,509	234,176
Arms and explosives	31,253	180,883
Metals and metalware	190,215	169,431
Coal and coke	136,936	93,120
Timber and railway sleepers . . .	45,740	56,436
Textiles	67,693	56,070
Chemical and medicinal products .	29,656	42,399
Dyestuffs, tanstuffs, and colours .	25,081	15,952
Other items	196,711	189,464

SOURCES OF SUPPLY

The principal countries engaged in the import trade of the Sudan during 1937 and 1936 and the percentage share of each (the figures for 1936 within parentheses) were: Great Britain, 23.4 (26.5); Egypt, 22.6 (20.5); Japan, 18.8 (18.5); British India, 6.7 (5.7); Abyssinia, 2.3 (3.7); Dutch East Indies, 4.4 (3.7); United States, 2.3 (3.2); Belgium, 1.8 (2.3); South Africa, 1.3 (1.7); Germany, 2.6 (1.7); Australia, 2.3 (1.5); France, 1.3 (1.3); Kenya, 1.1 (1.1); Italy, 0.9 (0.5).

Great Britain.—Imports from Great Britain into the Sudan are largely composed of the following: aircraft, machinery and tools; iron and steelware; arms and explosives; motor vehicles, cycles, parts and tires; cotton piece-goods and jute piece-goods; chemical and medicinal products; tobacco and cigarettes; coal and coke; dyestuffs, tanstuffs, and colours; wines and spirits; beer and stout; timber; lubricating oils and grease; scientific and surgical instruments; paper and printed matter; canvas and manufactures thereof; preserved meat; leather boots and shoes; cement; telephone and telegraph apparatus.

Egypt.—Goods received from Egypt include: sugar, cotton piece-goods, cigarettes and tobacco, cement, machinery and metalware, common soap, confectionery and conserves, leather and manufactures thereof, rice, and fresh fruit.

Japan.—Imports from Japan are composed chiefly of the following commodities: cotton piece-goods, artificial silk piece-goods, silk piece-goods, and rubber and canvas shoes.

United States.—Motor vehicles and parts thereof and tires form the larger portion of the United States imports into the Sudan.

Canada.—Railway sleepers and wood for joinery, purchased by the Sudan Government Railways, constitute the main commodities shipped from Canada to the Sudan. Other articles of Canadian origin sold in that country comprise: tires, inner tubes, sardines, silk stockings, machinery other than farm, automobiles, automobile parts, and medicinal preparations.

EXPORTS

The following table shows the values of the main exports of the Sudan in 1937 and 1936 together with the percentage of each of the total value of exports:—

Commodity	1937		1936	
	Value £E	Per Cent of Total	Value £E	Per Cent of Total
Total	8,130,453	100.0	5,581,023	100.0
Cotton, ginned, and cotton seed	5,906,675	72.6	3,665,630	65.7
Gum Arabic	717,798	8.8	644,135	11.5
Millet (dura and dukhn) . . .	283,510	3.5	318,130	5.7
Sesame	284,573	3.5	180,687	3.2
Hides and skins, untanned . . .	244,225	3.0	127,204	2.3
Live stock	51,504	0.6	65,789	1.2
Gold bullion	59,255	0.7	60,970	1.1
Dom-nut products	76,989	1.0	58,633	1.1

DESTINATIONS OF EXPORTS

The principal destinations of the Sudan's exports in 1937 and 1936, and the percentage share of each country (figures for 1936 within parentheses), were: Great Britain, 43.1 (57.4); Egypt, 8.5 (9.5); France, 5 (6.3); British India, 20.5 (5); United States, 4.4 (3.3); Germany, 2.1 (3.2); Japan, 3.6 (3.2); Eritrea, 1.4 (2.9); Belgium, 1.1 (2.1); Holland, 1 (1.2); Italy, 3.9 (1.2); Australia, 0.2 (0.3).

TRADE WITH CANADA

According to the Sudan annual trade report for 1937, imports from Canada amounted to £E.34,134 in 1937 as compared with £E.33,386 in 1936. These

figures would appear to represent the value of railway sleepers and wood for joinery shipped direct by chartered steamers to Port Sudan. No details are available in the Sudan statistics regarding the other commodities of Canadian origin purchased from distributors in England or in Alexandria.

According to the figures published by the Dominion Bureau of Statistics, Canada's exports to the Sudan during the fiscal years ended March 31, 1937 and 1936, were as follows:—

Commodity	1937	1936
Total	\$90,559	\$70,045
Pneumatic tire casings	296	1,099
Salmon, canned	68	.....
Sardines	561	1,184
Socks and stockings, silk	114	.....
Planks and boards	79,346	60,968
Machinery, except farm	1,098	2,409
Automobiles . . . . .	.....	1,357
Automobile parts . . . . .	.....	104
Spark plugs . . . . .	.....	330
Medicinal preparations	8,909	1,758
Containers . . . . .	.....	75
All other articles	167	754

Canadian firms wishing to obtain more complete data about the sales possibilities for the Dominion's products in the Sudan may apply to the Department of Trade and Commerce, Ottawa, for the report "The Anglo-Egyptian Sudan as a Market," published in pamphlet form under date March 15, 1938.

TRADE CONDITIONS IN 1938

The trade of the Sudan this year has naturally been affected by the recession in prices. For the first seven months the total value of commerce amounted to £E.7,866,868 (provisional figure) as compared with £E.9,953,667 for the corresponding period of 1937. It is to be observed, however, that the decline was wholly in respect of the export trade. Current purchasing power is, of course, largely a reflection of the previous export season. Public imports showed only a fractional falling off, while Government imports, due to large purchases of coal and coke, machinery, timber and railway sleepers, and refined sugar, were practically double last year's total. On the other hand, the export trade was affected by the low prices for cotton, coupled with somewhat smaller exports of that commodity. As there does not seem much prospect of improved export conditions this year, it follows that the reduced purchasing power of the Sudan will be reflected in next year's imports. The all-important factor is the cotton market, and an improvement in prices would greatly improve the position.

TRADE COMMISSIONERS ON TOUR

Mr. J. C. Macgillivray, Canadian Trade Commissioner at Berlin, Germany (whose territory includes Czechoslovakia and Poland); and Mr. J. L. Mutter, Canadian Trade Commissioner at Johannesburg, South Africa (whose territory includes the Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland), are visiting the principal industrial centres of Canada in the interest of Canadian trade with their respective territories. Their itineraries are as follows:—

Mr. Macgillivray

Toronto Nov. 21 to 23
Kitchener Nov. 24

London and Ingersoll . . . Nov. 26

Mr. Mutter

Guelph Nov. 21
Kitchener and district . . Nov. 22 to 24
London and district . . . Nov. 25 and 26
Paris and Brantford . . . Nov. 28

Hamilton, Simcoe and
Winona Nov. 29 and 30
Galt Dec. 1
St. Catharines and
Welland Dec. 2

CROP REPORTS FOR THE SCANDINAVIAN COUNTRIES

RICHARD GREW, CANADIAN TRADE COMMISSIONER

Norway

Oslo, October 24, 1938.—According to the September report of the Norwegian Director of Agriculture, the weather conditions during that month were not too favourable, and the harvesting of the grain and potato crops took place under rather difficult conditions.

The total hay crop for the whole country is reported to be quite large, amounting to 2,470,212 metric tons or 107 per cent of an average year for hay from cultivated fields, and 351,020 metric tons or 104 per cent of an average year in the case of hay from natural fields. With the exception of the north-western districts, where the quality of the crop is reported to be very good, the quality is uneven throughout the country. The grain crops have now been harvested, and although they are described as being fairly large, the quality is not quite up to expectations. The wheat crop has totalled 71,134 metric tons or 101 per cent of an average year, the rye crop 11,004 metric tons or 101 per cent, barley 124,560 metric tons or 99 per cent, oats 181,741 metric tons or 101 per cent, and mixed grain 9,711 metric tons or 102 per cent. Potato crops have been considerably damaged by the excessively wet weather experienced during September, and are therefore reported to be somewhat uneven. The total potato crop is estimated at 1,028,407 metric tons or 94 per cent of an average year. The other root crops are estimated to yield a total harvest of 526,397 metric tons or 97 per cent of an average year for turnips, and 239,750 metric tons or 96 per cent of an average year in the case of swedes.

Denmark

The crop report issued on September 20 by the Danish Department of Statistics covers only potatoes and other root crops, the final reports on grain and hay crops being included in the previous report issued at the end of August. The total potato crop is estimated at 98 per cent of an average year for Jutland, and at 99 per cent in the case of the islands. As regards other root crops, the Jutland figures are: Carrots 95 per cent, beets 96 per cent, swedes 97 per cent, turnips 94 per cent and sugar beets 98 per cent of an average year. The figures for the islands are: Carrots and sugar beets 95 per cent, ordinary beets and turnips 94 per cent, and swedes 96 per cent of an average year.

Sweden

The September report of the Swedish Central Bureau of Statistics states that the final harvesting of the grain crops took place under varying weather conditions in the different parts of the country. According to the actual crop figures for the whole country, which have now been published, the crop of autumn sown wheat totalled 689,800 metric tons or considerably above medium, autumn sown rye 389,600 metric tons or medium, spring sown wheat 131,300 metric tons or somewhat above medium, spring sown rye 11,300 metric tons or medium, barley 259,000 metric tons or considerably above medium, oats 1,424,200 metric tons or considerably above medium, and mixed grain 650,300 metric tons or considerably above medium. Actual figures are not available for potatoes and other root crops, but these crops are all described as being slightly above medium. The hay crop figures are the same as those published in the previous report, totalling 5,371,200 metric tons or well above medium for hay from cultivated fields, and 578,200 metric tons or medium in the case of hay from natural fields.

PRICES OF DOMESTIC WHEAT AND BREAD IN EUROPE

J. P. MANION, ASSISTANT COMMERCIAL ATTACHÉ

Paris, October 22, 1938.—A leading French grain firm has just published a survey of current prices of domestic wheat in various European countries in relation to the price of bread. The following table shows the results of this survey with wheat prices converted, at current rates of exchange, into dollars per bushel and bread prices into cents per pound, together with brief statements of the grain mixtures usual or prescribed in the making of bread:—

Prices of Domestic Wheat and Bread

Country	Domestic Wheat	Bread	Grain Mixtures in Bread-making
	per Bushel Dollars	per Pound Cents	
Germany	2.28	6.5	Rye and wheat
Italy	2.11	7.8	10 per cent corn
Greece	1.85	3.1	66 per cent domestic
Czechoslovakia	1.73	3.3	Mostly rye
France	1.64	3.8	
Norway	1.62	4.8	Rye with 15 per cent wheat
Finland	1.46	6.9	
Sweden	1.33	6 to 7.6	Rye and wheat
Yugoslavia	1.29	4.3	
Netherlands	1.25	5.6	35 per cent domestic
Belgium	1.17	3.1	
Hungary	1.12	2.9 to 4.3	
Poland	1.12	3.5	Wheat and rye
Denmark	0.85	9.3	40 per cent domestic
Roumania	0.81	3.8	
Great Britain	0.65	4.0	

In connection with these figures it should be noted that the prices of wheat, flour, and ordinary bread are fixed by law in many countries of Europe. Further, the price of wheat used in this survey is the price to the miller, and may not always reflect the price paid to the producer if taxes intervene.

PORTUGUESE RUBBER IMPORTS

A. B. MUDDIMAN, CANADIAN TRADE COMMISSIONER

(One escudo equals 4.4 cents Canadian; one kilo equals 2.2 pounds)

Milan, October 20, 1938.—Imports of raw and prepared rubber into Portugal for manufacturing purposes during 1936, the latest year for which complete figures are available, amounted to 783,867 kilos. Most of these imports were from Malaya, routed via England. There are three rubber factories in Portugal and about ten small plants making only soles and heels. As is usually the case with small factories, some of the latter import and sell as jobbers certain lines that they do not make themselves.

IMPORTS OF RUBBER GOODS

Among the principal items of imports of rubber goods listed in the Portuguese official statistics for 1936 are the following: tires, 992,390 kilos valued at 14,483,303 escudos; rubber sheets, 88,983 kilos valued at 1,013,227 escudos; tubes wired or otherwise strengthened, 59,236 kilos valued at 852,852 escudos; tubes not specified, 14,019 kilos valued at 392,418 escudos; rubber goods not specified, 37,625 kilos valued at 1,599,176 escudos.

The chief supplying countries for tires were England, the United States, Canada, France, Belgium, and Germany, in that order. Canada was credited

with 178,657 kilos valued at 2,224,051 escudos. Germany was the leading source of supply for rubber sheets and the other chief items mentioned, followed by England, France, and the United States. Canada appears in the official statistics as a supplier of rubber sheets to a value of 26,165 escudos and of rubber goods not specified to a value of 14,250 escudos. It should be noted, however, that a certain amount of Canadian rubber goods reaches Portugal via England and the United States and is often credited to those two countries. As a source of possible further supply Canada is well known to the trade in Portugal and is advancing rapidly in the fishermen's rubber boot trade.

DETAILS OF RUBBER IMPORTS

Numerous mechanical rubber goods are imported into Portugal. In recent years Germany has made great strides in these lines. Among these imports are the following: delivery hose, beer and wine hoses, steam and hot-water hose, autogen hoses, spiral suction hoses, petrol hose for gasolene stations, non-vulcanized stamped rubber sheets, india-rubber sheets, corset sheets, insertion sheets, fruit jar rings, rubber suction hooks, rubber matting in rolls, gas tubing, rubber stoppers and bath plugs, transmission belting, bicycle tires, handles and brake blocks, etc.

The bulk of elastic webbing imported into Portugal comes from Germany. There appears to be no interest in galoshes. The total import of rubber footwear in 1936 was 32,324 pairs valued at 853,618 escudos, of which England supplied over half. Canada was credited with 487 pairs valued at 19,380 escudos. Undoubtedly Canada can make some headway in this line. There is also imported into Portugal a wide variety of surgical rubber goods.

Particulars as to these, as to mechanical rubber goods, and other rubber imports into Portugal may be obtained on application to the Department of Trade and Commerce, Ottawa. A number of trade inquiries for rubber goods for Portugal have been received by the Department and these are listed on page 890 of this issue of the *Commercial Intelligence Journal*.

EGYPT'S 1937-38 COTTON SEASON

HENRI TURCOT, CANADIAN TRADE COMMISSIONER

Cairo, October 22, 1938.—Two notable records were established in the Egyptian cotton season ended August 31, 1938. The crop, at 11,008,862 kantars (one kantar is equal to 99.05 pounds), was by far the largest one yet produced in Egypt, and the aggregate of exports and domestic consumption—roughly 9,500,000 kantars—was also the highest figure ever attained. The previous production record was 9,107,189 kantars in 1936-37. On only three previous occasions had crops exceeded 8,500,000 kantars, in 1935-36, in 1933-34, and in 1929-30, when 8,535,000, 8,575,000, and 8,531,000 kantars respectively, were harvested. Average annual production in the ten years from 1927-28 to 1936-37 was only 7,605,000 kantars. The previous record of exports plus local consumption was also set in 1936-37 at 9,262,174 kantars. Earlier the record stood at 9,207,138 kantars in 1933-34. In 1935-36, the total quantity exported and consumed in the country amounted to 8,328,968 kantars.

POSITION OF THE GROWER

In many respects, however, the 1937-38 season was an unsatisfactory one. The grower fared much worse than in the two previous seasons. According to the Statistical Department of the Ministry of Finance, the total value of the Alexandria receipts of cotton and cotton-seed was approximately £24,580,000,

the weighted average of the prices of the two commodities being put at \$10.77 per kantar and \$2.68 per ardeb respectively (one ardeb of cotton-seed is the equivalent of 267 pounds). The figures represent an average gross return of roughly £12 10s. for every feddan planted with cotton (one feddan is equal to 1.038 acre), and this compares with £16 in 1936-37 and £15 in 1935-36. It is impossible to estimate the net farm revenue from the crop, but cultivators generally have certainly had a comparatively poor year, though those who sold their crops in the early autumn and secured the prices ruling in August and September, 1937, can have had little about which to complain.

DIFFICULT SEASON FOR TRADERS

For the trader the season was a particularly difficult one. The market was constantly disturbed by events in the sphere of international politics, by action or rumours of action on the part of the United States Government, and by recurrent rumours of intervention of one kind or another by the authorities in Egypt. Then again, increasing credit and currency complications had to be contended with in transacting business with several of the principal consuming countries. In addition, merchants were embarrassed throughout the earlier stages of the season by a determined up-country holding movement and by the maintenance of a relationship between the futures months, which made it uneconomic to carry stocks of cotton on hedge. The fact that, notwithstanding these and other obstacles to trade, nearly 85 per cent of the huge crop was shipped abroad, certainly affords grounds for satisfaction.

EXPORT TRADE

Of the total exports, Ashmouni and Zagora accounted for roughly 5,750,000 kantars, which exceeded the 1936-37 figure by some 150,000 kantars. The remainder included (in round figures) 2,100,000 kantars Giza (against 1,880,000 kantars in 1936-37), 330,000 kantars Sakellarides (against 560,000 kantars), 295,000 kantars Maarad (against 335,000 kantars), and 170,000 kantars Sakha (against 140,000 kantars).

Great Britain was as usual by far Egypt's best customer, her share being 31.8 per cent of total exports, compared with 34.4 per cent in 1936-37. France took second place with 13.1 per cent against 14 per cent in the previous season. Exports to Germany increased from 8.8 to 12.1 per cent and to British India from 5 to 7.3 per cent. Italy, in fifth place, increased her purchases from 4.8 to 6.6 per cent. Japan followed with 5.3 per cent compared to 7.2 per cent.

CURRENT CROP

In view of adverse atmospheric conditions and an early attack of cotton worm, as well as of the Nile floods, it was fully anticipated that this season's Egyptian cotton crop would show a marked falling off, but the Government's estimate, issued on October 4, of 7,691,000 kantars came as a shock, for it was not expected that the decline would be so pronounced.

Egyptian cotton interests, however, are not likely to view a reduced crop as a misfortune, on account of the world market position. At present, owing to last season's crops, and in particular to the bumper United States yield, the world has more cotton than it wants, and smaller crops this season will tend to readjust the situation.

Though the statistical position is still unfavourable to growers, reduced yields will inevitably mean a higher level of prices. While a year ago Egypt was looking forward to increased exports to provide compensation for low prices, this year better returns will be hoped for to make up for reduced supplies.

EXCHANGE SITUATION IN BRAZIL

L. S. GLASS, CANADIAN TRADE COMMISSIONER

Rio de Janeiro, October 31, 1938.—The Brazilian foreign exchange situation continues more or less unchanged, although, lacking import and export figures and statistics concerning the acquisition and distribution of foreign exchange by the Bank of Brazil, it is practically impossible to give any details concerning the exact position.

The first six months of the year resulted in an unfavourable balance of trade amounting to \$11,234,000 or £2,226,000, equivalent to nearly two-thirds of the favourable balance of 1937. Thus, in order to have a favourable balance equal to that of 1937, which was hardly sufficient for Brazil's needs, the second half of the year would have to produce a favourable balance of approximately \$28,000,000. This would necessitate an increase in exports and/or a decrease in imports. Based on the amount of duties collected at the customs houses, imports continue to show a considerable increase over the 1937 figure. From January to June the increase in duties collected amounted to 25,000 contos of reis. July and August showed a decrease in duties collected, with the result that the total increase was reduced to 20,000 contos. It must be borne in mind, however, that these figures do not take into account purchases made by the Government for certain public utilities and companies under contract for government work.

EXPORTS OF COFFEE AND COTTON

Coffee is Brazil's most important single item of export and one of the most important factors in bringing about an adjustment in the unfavourable trade balance. As regards volume there has been a noteworthy increase since the introduction of the new coffee policy at the end of last year. Thus, for the first nine months since the legislation came into effect exports increased from 8,500,000 bags to 13,000,000 bags, and during the months of July and August Brazil shipped a total of over 2,500,000 bags as compared with 1,700,000 bags during the same two months in 1937. Prices, however, have continued to be low, and it is anticipated that the value of the year's trade will be far below that for 1937.

Exports of cotton, the second most important item, have also shown a considerable increase in volume, but with depressed price conditions it is hardly likely that any increase in value will be sufficient to offset the unfavourable trade balance.

PAYMENTS FOR IMPORTS DELAYED

From all indices it would appear that Brazil is experiencing an exchange shortage. Time for payments to the account of imported goods has been slowly extended since the middle of the year, and, whereas during the first six months exchange was remitted approximately 45 days after the due date of the drafts, the period now required is approximately 105 days. Earlier in the year the Bank of Brazil accepted these bills for payment of exchange almost immediately or within approximately 15 days and issued contracts to supply the exchange 30 days thereafter. As time went on, there was greater delay before the contracts were issued, and during the week of October 24 to 30 the Bank of Brazil was issuing contracts to remit foreign exchange within 60 days for drafts maturing up to September 14.

It is not anticipated that Brazil will permit the creation of frozen accounts, as occurred previously. It would, however, appear that some action will have to be taken to control remittances in order to prevent a serious shortage of exchange. If no control is exercised, exporters should be warned of the probability of continued and even greater delays in receiving payments for exports.

COMMODITY MARKETS OF BRAZIL IN 1937

L. S. GLASS, CANADIAN TRADE COMMISSIONER

(Import figures for 1936 are shown within parentheses)

Rio de Janeiro, September 13, 1938.—Following is a summary covering imports into Brazil of individual items during the years 1937 and 1936, with special reference to commodities in which Canada is or may be interested in selling to Brazil.

AGRICULTURAL MACHINERY

Under "agricultural machinery" Brazilian statistics include agricultural implements and machinery, general; seeding machines; ploughs, plough shares, and plough parts; threshing machines, and tractors. Imports of the first item decreased in value from \$272,335 in 1936 to \$152,469 in 1937. The United States with \$91,198 (\$94,436 in 1936) occupied first position among suppliers, followed by Germany with \$34,277 (\$103,052). Great Britain was in third place with \$10,158 (\$49,907). Imports of seeding machines, valued at \$14,071, were more than double the 1936 value of \$6,882. The greater part of these imports came from Germany, \$8,589 (\$12), followed by the United States, \$4,866 (\$6,698).

Imports of ploughs, plough shares, and plough parts increased to \$877,892 from \$394,847 in 1936. The United States retained first position with \$573,308 (\$261,247), followed by Germany with \$260,786 (\$115,743) and Great Britain with \$15,763 (\$9,417). Imports from Canada, which have been expanding during the past two or three years, increased from \$2,645 in 1936 to \$9,165. Arrivals of threshing machines, which decreased considerably in 1936, showed an increase in 1937 to \$21,866 from \$4,278 in 1936. The United States with \$21,351 (\$3,464) supplied nearly the total requirements of the market, followed by Germany with \$514 (\$814). Imports of tractors continued to increase and in 1937 were valued at \$937,542 as compared with \$595,582 in 1936. The United States again led with \$797,733 (\$505,582), followed by Germany with \$108,450 (\$45,433), Great Britain with \$17,716 (\$10,079), and Argentina with \$8,924 (\$27,981).

ELECTRIC MACHINERY

Industrial apparatus, such as dynamos, motors, and transformers, imported into Brazil, which had declined in 1936, increased in value from \$2,781,308 in that year to \$3,940,507 in 1937. Germany continued in first place, having supplied to a value of \$1,658,319 (\$983,407), followed by the United States, \$1,304,672 (\$794,142); Sweden, \$293,798 (\$202,904); Great Britain, \$275,635 (\$519,814); Switzerland, \$133,296 (\$108,894); Belgium, \$115,387 (\$62,491); and others with smaller amounts. The value of imports from Canada, according to Brazilian statistics, increased from \$314 in 1936 to \$4,475 in 1937, while according to Canadian statistics there was a decrease from \$220,309 in 1936 to \$135,047.

ELECTRIC CABLE

Brazilian imports of electric cable increased in volume from 1,237 tons in 1936 to 1,364 tons in 1937, but decreased in value from \$535,997 to \$511,065. Great Britain continued to be the most important supplier, \$255,697 (\$337,487). Belgium was in second position with \$96,041 (\$70,109), followed by the United States, \$44,318 (\$26,528); Sweden, \$40,592 (\$22,416); and Germany, \$40,028 (\$31,784). Imports from Canada decreased in value from \$38,543 in 1936 to \$22,668. Other suppliers were France and Japan.

PORCELAIN INSULATORS

Imports of porcelain insulators decreased in value from \$176,448 in 1936 to \$138,178. The United States again was the most important supplier with \$83,472 (\$95,167), followed by Germany with \$18,409 (\$15,653). Canada showed a considerable increase from \$5,025 in 1936 to \$21,931. The remainder of the imports was from Great Britain—\$10,342 (\$56,273)—Belgium, Japan, Portugal, Argentina, Sweden, Switzerland, France, and Hungary.

SEWING MACHINES

Imports of sewing machines showed a further increase from 2,646 tons in 1936 to 3,783 tons and in value from \$2,658,193 to \$3,823,409.

Canada continued to be the most important supplier with 2,178 tons valued at \$2,099,619 (1,447 tons valued at \$1,384,467), followed by Germany, \$1,332,720 (\$964,151); United States, \$274,136 (\$231,172); Great Britain, \$45,829 (\$56,925); and Italy, \$38,330 (\$4,565). Small quantities came also from Holland, Argentina, France, Japan, Austria, and Switzerland.

RAILS

Imports of steel rails, which had declined in 1936, showed a considerable increase in tonnage and value, from 51,434 tons valued at \$2,553,097 in 1936 to 83,849 tons at a value of \$4,967,607.

Belgium supplanted the United States in first place with shipments to a value of \$1,607,536 (\$265,272), while the United States shipped to a value of \$1,245,154 (\$946,878), followed by Germany, \$849,895 (\$705,779); and Poland, \$739,189 (\$414,543). Imports from Japan appeared for the first time in Brazilian statistics and were valued at \$275,718. Other suppliers were Great Britain, Holland, France, Argentina, Italy, Bolivia, and Sweden.

AUTOMOBILES AND TRUCKS

Imports of passenger cars showed a further increase from 9,923 units valued at \$6,293,669 in 1936 to 14,353 units at a value of \$9,142,845. The United States continued to dominate the market with 12,154 units at a value of \$7,862,460 (8,767 units at \$5,512,926). Germany was in second position with 1,584 units valued at \$1,120,940 (1,084 units at \$728,123), followed by Italy with 117 units and a value of \$58,685 (43 units at \$26,040), France with 84 units and a value of \$55,234 (nil), Great Britain with 15 units worth \$13,631 (21 units at \$14,563), Austria with 8 units at a value of \$6,951 (1 unit at \$2,405), and Sweden with one unit worth \$1,225 (2 units at \$2,360).

Imports of trucks, fully assembled, increased from 105 units valued at \$132,581 in 1936 to 186 units at a value of \$328,651. In quantity the United States with 98 units (50 units) supplanted Germany with 86 units (53 units) in first place. In value, however, Germany with \$193,978 (\$71,617) continued in first place, as imports from the United States were valued at \$133,841 (\$57,751). Great Britain with 2 units valued at \$832 (2 units at \$3,213) was the other supplier.

Bodies for trucks are usually manufactured in Brazil, and there is also a certain amount of body building for passenger cars. Imports of chassis increased from 8,913 units valued at \$5,045,035 in 1936 to 11,018 units and a value of \$6,978,541. These figures include imports of chassis for both trucks and passenger cars, but the larger part of the imports is made up of truck chassis.

The United States continued to supply the major requirements of the market with shipments amounting to 10,503 units worth \$6,036,907 (8,577 units at

\$4,595,129). The balance was imported from Germany, \$647,542 (\$190,403); Great Britain, \$146,156 (\$140,981); Sweden, \$131,905 (\$108,918); France, \$11,359 (nil); and Switzerland, \$4,672 (\$3,799).

RUBBER MANUFACTURES

Imports of general manufactures of rubber goods declined from 35 tons valued at \$69,884 in 1936 to 20 tons at a value of \$47,781 in 1937. Germany with \$24,643 (\$36,653), the United States with \$8,671 (\$12,648), Great Britain with \$7,360 (\$6,292), France with \$3,398 (\$10,112), Argentina, Austria, Belgium, Holland, Italy, Japan, and Czechoslovakia supplied the market.

Imports of tires showed a slight increase from \$2,419,779 in 1936 to \$2,628,121 in 1937. Canada continued to supply the bulk of the imports, shipping to the value of \$797,176 (\$672,363), and was followed by the United States, \$628,807 (\$628,966); Great Britain, \$495,574 (\$373,665); Germany, \$366,372 (\$201,106); Italy, \$159,199 (\$286,619); Belgium, \$74,955 (\$95,452); Japan, \$63,827 (\$80,114); France, \$24,671 (\$48,194); and Czechoslovakia, \$12,749 (nil). Small amounts were also shipped from Argentina, Holland, Java, and Portugal.

Imports of inner tubes also increased from \$157,997 in 1936 to \$187,889 in 1937. Canada was again the leading supplier, \$56,946 (\$41,589). In second place came Great Britain, \$43,277 (\$31,465), followed by the United States, \$35,186 (\$40,193); Germany, \$26,688 (\$10,798); Java, \$9,831 (\$6,964); Italy, \$4,340 (\$14,200); Belgium, \$3,915 (\$3,026); and the Dutch Antilles, \$3,640 (nil). Japan, France, and Czechoslovakia also shipped small amounts.

ALUMINIUM

Total imports of raw aluminium increased from \$518,106 in 1936 to \$743,434 in 1937. France occupied first position, \$170,241 (\$2,720), followed by Germany with \$114,257 (\$148,771), Great Britain with \$125,524 (\$37,732), and Norway with \$93,937 (\$144,719). Canadian statistics show shipments from Canada to Brazil valued at \$94,134 (\$93,797), but according to Brazilian statistics imports from the Dominion decreased from \$77,086 in 1936 to \$21,027 in 1937.

Manufactures of aluminium increased from \$67,004 in 1936 to \$117,555. Germany with \$82,596 (\$23,647) supplanted the United States with \$14,044 (\$33,923) as leading supplier. Great Britain with \$10,098 (\$4,658) occupied third position, followed by France, Switzerland, and Japan with smaller amounts.

COPPER

Imports of copper plates and sheets, although decreasing in quantity from 8,179 tons in 1936 to 6,795 tons in 1937, increased in value from \$2,081,368 to \$2,548,145. As regards tonnage, the United States continued in first position, 2,378 tons (3,396 tons), but was supplanted by Germany as regards value, the latter country being credited with \$875,032 (\$721,517) as against \$832,497 (\$790,777) for the United States. Great Britain occupied third position, \$460,894 (\$157,022), Canada moving to fourth place, \$162,186 (\$382,146). Small shipments are also credited to Switzerland, Belgium, France, Holland, Japan, Sweden, Austria, Italy, and Argentina.

Copper tubes and pipes increased both in tonnage and value from 429 tons valued at \$232,655 in 1936 to 469 tons with a value of \$340,815. Germany, \$145,500 (\$131,741), continued in first place, followed by the United States, \$120,102 (\$55,916); Great Britain, \$50,582 (\$33,921); and France, \$14,133 (\$7,480). Imports from Canada showed a substantial increase from \$399 in 1936 to \$4,472. Belgium with \$3,471 (\$1,671) occupied fifth position. Smaller amounts came from Sweden, Argentina, Italy, and Switzerland.

Copper wire imports also increased in tonnage and value, from 107 tons with a value of \$53,434 in 1936 to 118 tons valued at \$64,517. Countries of origin were as follows: Germany, \$37,293 (\$41,704); Great Britain, \$17,090 (\$3,235); United States, \$8,239 (\$6,078); France, \$1,075 (\$574). Belgium and Japan are credited with small amounts.

Insulated copper wire imports increased from 326 tons with a value of \$165,138 in 1936 to 503 tons valued at \$234,159. The United States, \$85,099 (\$59,939), supplanted Germany, \$66,655 (\$61,995), in first place. Other shippers were: Belgium, \$28,498 (\$19,144); Great Britain, \$18,378 (\$11,995); Sweden, \$18,140 (\$4,863); Denmark, \$9,136 (nil); Holland, Italy, Japan, Switzerland, and France. Imports from Canada showed an increase from \$5,635 in 1936 to \$7,463 in 1937.

Imports of uninsulated copper wire decreased from 96 tons with a value of \$35,131 in 1936 to 62 tons valued at \$10,269. The United States, \$4,399 (\$3,955); Great Britain, \$3,928 (\$27,947); Germany, \$1,207 (\$2,454); Switzerland, \$647 (nil), with smaller amounts from Belgium, Sweden, and France, were the countries of supply.

LEAD

Imports of lead increased from 8,474 tons valued at \$819,410 in 1936 to 10,223 tons at a value of \$1,346,376. The United States retained first position with 4,236 tons worth \$528,556 (3,119 tons at \$301,623). Canada, showing a substantial increase, was in second position with 3,522 tons at a value of \$473,917 (2,855 tons at \$261,000), followed by Belgium, 1,350 tons valued at \$183,641 (655 tons at \$66,456); and Great Britain, 579 tons worth \$86,502 (407 tons at \$49,956). Germany, France, Holland, Italy, Uruguay, Argentina, Denmark, Switzerland, Sweden, Mexico, and Peru were the other suppliers.

ZINC

Zinc imports decreased in volume from 1,782 tons in 1936 to 1,611 tons, increasing, however, in value from \$160,688 to \$192,654. Poland, in first position, shipped to a value of \$73,722 (\$58,032). Great Britain, \$52,147 (\$11,903), moved from fourth to second place, while Belgium, \$44,111 (\$24,057), continued in third place. Canada, showing a considerable decrease in her shipments to Brazil—from a value of \$43,989 in 1936 to \$15,873 in 1937—moved from second to fourth place. South Africa, France, Germany, and the United States were the other shippers.

FURS AND PELTS

Imports of furs and pelts, which had decreased in 1936, showed a considerable increase in 1937 from \$871,381 to \$1,512,037. The Brazilian market continued to be supplied by the large distributing centres of London, Paris, and Antwerp. Belgium again occupied first place with \$897,636 (\$450,042) and France second position with \$369,067 (\$191,234), followed by Great Britain, \$220,076 (\$156,411); Spain, \$11,660 (\$61,485); and the United States, \$9,647 (\$3,666). Small shipments were made from Germany, Portugal, and Bolivia. Canada was credited with shipments valued at \$3,000 in 1937 as against \$8 in 1936.

TACKS AND NAILS

Tack and nail imports, after two years in which there were declines, showed an increase from \$173,949 in 1936 to \$200,507. Germany continued to obtain the largest share of the market, \$113,851 (\$114,357), followed by Czechoslovakia, \$54,008 (\$37,556); United States, \$7,717 (\$6,509); Sweden, \$6,468 (\$3,456); Great Britain, \$6,153 (\$7,075); Belgium, \$5,559 (\$578); and Norway, \$3,450 (\$3,132). Japan, Portugal, and Denmark shipped smaller amounts. A small shipment of 71 kilos at a value of \$16 (nil) is credited to Canada.

BARBED WIRE

Barbed wire imports, although decreasing from 23,503 tons in 1936 to 22,801 tons, showed a further increase in value from \$1,556,771 to \$2,115,460. Germany, despite a decline in the quantity supplied from 14,699 tons to 12,817 tons, continued to dominate the market with \$1,296,589 (\$1,057,249). The United States remained in second place with \$436,996 (\$299,615), followed by Belgium, \$298,394 (\$185,954); Japan, \$65,574 (\$38); France, \$6,223 (\$3,006); Great Britain, \$4,308 (\$4,582); Poland, \$3,993 (\$5,471); and Czechoslovakia, \$3,224 (nil).

IRON AND STEEL WIRE

Iron and steel wire imports continued to increase, amounting to 39,690 tons valued at \$3,627,932 as against 31,990 tons valued at \$2,335,024 in 1936.

Germany again obtained the largest share of the market, shipping to a value of \$1,818,977 (\$1,688,026). The United States was in second position, \$696,318 (\$382,612), followed by Belgium, \$494,094 (\$82,419); Japan, \$463,952 (\$83,162); Great Britain, \$57,016 (\$45,821); France, \$37,069 (\$35,505); and Poland, \$34,318 (nil). Holland, Argentina, Italy, Sweden, Switzerland, Uruguay, and Czechoslovakia shipped smaller amounts.

PAINTS AND VARNISH

Imports of paints increased from 69 tons valued at \$37,061 in 1936 to 101 tons with a value of \$40,887. The United States, \$18,117 (\$14,727), followed by Germany, \$7,826 (\$12,875); Great Britain, \$7,411 (\$9,214); Argentina, \$3,117 (\$87); and Holland, \$2,910 (\$28), were the major suppliers. Belgium, France, Japan, Sweden, Uruguay, Austria, and Switzerland shipped small amounts.

Imports of varnish increased in 1937 to 193 tons at a value of \$100,351 from 151 tons valued at \$80,753. The chief suppliers were: Denmark, 136 tons valued at \$53,117 (3 tons at \$175); Germany, 23 tons worth \$20,990 (23 tons at \$25,074); France, 21 tons valued at \$15,310 (9 tons at \$1,731); Argentina, \$5,199 (\$2,842); United States, \$3,187 (\$40,141); and Holland, \$1,392 (\$135). Belgium, Great Britain, and Austria shipped small amounts. Imports from Canada increased in value from \$171 in 1936 to \$227 in 1937.

COTTON MANUFACTURES

Cotton manufactures of all kinds showed a further increase in value of imports from \$549,696 in 1936 to \$764,113. Great Britain continued to be the most important supplier, having shipped to a value of \$230,961 (\$234,316). Switzerland, imports from which showed a considerable increase from \$36,773 to \$154,592, was in second place, followed by the United States, \$136,301 (\$86,137); and Germany, \$118,408 (\$90,583). Other suppliers were Belgium, Austria, Argentina, China, France, Italy, Portugal, Japan, Holland, Czechoslovakia, South Africa, and Denmark. The value of imports from Canada decreased from \$307 in 1936 to \$174.

SILK YARN

A slight increase was recorded for imports of silk yarn to 380 tons valued at \$1,938,330 as against 346 tons valued at \$1,635,407 in 1936. Japan with 237 tons valued at \$1,091,741 (103 tons at \$436,927), Italy with 65 tons valued at \$367,652 (153 tons at \$712,609), the United States with \$316,878 (\$304,686), and Switzerland with \$132,344 (\$153,979) were the major suppliers. Germany, France, Great Britain, Syria, and Argentina were credited with small amounts. Canada appeared for the first time in Brazilian statistics with 3 tons valued at \$2,744.

LEATHER

Leather is classified in Brazilian import statistics as "kid leather, including chamois; and hides and skins, which include all other kinds of tanned or otherwise prepared leather."

Hides and skins imports, which showed a decline in 1936, increased slightly both in tonnage and value from 11.5 tons in 1936 to 12 tons and from a value of \$64,532 to \$74,977. Great Britain with \$34,222 (\$28,882) retained first position among suppliers, followed by Germany, \$23,535 (\$23,170); Argentina, \$5,909 (\$914); and France, \$5,472 (\$6,353). Smaller amounts were imported from Austria, the United States, Spain, Italy, and Czechoslovakia.

Kid leather imports increased from 12 tons valued at \$121,329 in 1936 to 21 tons at a value of \$237,805. Of the total value, Germany is credited with \$196,965 (\$85,757), followed by France with \$21,829 (\$23,022). Imports from France consisted mostly of chamois leather. Other shippers were the United States, \$8,884 (\$3,856); Great Britain, \$5,201 (\$7,452); Holland, Italy, Czechoslovakia, Belgium, China, Austria, and Japan. Shipments valued at \$442 (nil) are credited to Canada.

CORDAGE

Cordage imports, which for some years have been steadily decreasing, showed a further decline from 29 tons valued at \$27,487 in 1936 to 16 tons valued at \$17,727. The United States, \$11,519 (\$15,417); Great Britain, \$5,342 (\$10,258); Germany, \$575 (\$1,368); and France, \$287 (nil), supplied the market.

CEMENT

Cement imports declined in tonnage but increased in dollar value. There were 74,831 tons valued at \$726,565 imported in 1937 as against 78,198 tons at a value of \$686,253 in 1936. Germany, \$551,362 (\$470,789), continued to supply the greater part of the requirements, followed by Great Britain with \$130,171 (\$137,072) and Sweden with \$19,701 (\$34,572). Cement imports tend to decline each year as local factories increase production. Domestic production increased from 483,023 tons in 1936 to 571,452 tons in 1937.

COAL AND COKE

Coal imports increased in value from \$8,583,702 in 1936 to \$12,773,490 in 1937. Germany with \$6,652,574 (\$3,252,461) supplanted Great Britain, \$4,569,909 (\$4,074,478), in first position among suppliers. The United States was in third place with \$1,061,606 (\$385,033). Smaller amounts were shipped from European Turkey, Poland, Uruguay, Holland, Norway, and Argentina. Local production amounted to 762,789 tons as against 649,451 tons in 1936.

Imports of coke also increased from \$288,829 in 1936 to \$591,638. Germany continues to be the largest single supplier with \$507,382 (\$223,422), followed by Great Britain with \$76,498 (\$58,753). There were small shipments from Belgium and Poland.

PAPER AND PULP

Imports of newsprint showed a further increase from 51,434 tons and a value of \$2,247,635 in 1936 to 59,541 tons and a value of \$3,266,304. Sweden moved from second to first place with 17,301 tons valued at \$894,744 (\$13,827 tons at \$611,448). Imports from Germany also increased considerably, that country moving from fourth to second place with 10,002 tons at a value of \$755,228 (6,711 tons at \$439,578). Finland moved from first to third division with 16,544 tons valued at \$720,617 (15,670 tons at \$686,450). Canada, showing a fair increase in her shipments, moved from fifth to fourth place with 7,298

tons valued at \$406,597 (6,553 tons at \$276,293). Norway fell from fourth to fifth place with 6,300 tons at a value of \$293,805 (7,125 tons at \$313,748). The United States, Great Britain, Holland, Czechoslovakia, Austria, and Switzerland were the other suppliers.

Imports of bond paper decreased from 217 tons in 1936 to 213 tons, increasing, however, in value from \$70,227 in 1936 to \$73,769. Germany continued in first position with \$26,314 (\$21,909), followed by the United States with \$21,358 (\$15,364) and Great Britain with \$10,170 (\$12,041). Smaller amounts were also shipped from Holland, Austria, Japan, Italy, and Sweden.

Imports of other papers decreased from 1,975 tons valued at \$377,960 in 1936 to 1,664 tons at a value of \$314,775. The chief suppliers were: Germany, \$121,710 (\$200,011); Holland, \$95,991 (\$69,572); Great Britain, \$32,620 (\$44,291); United States, \$24,247 (\$19,681); and Sweden, \$15,540 (\$18,633). Small amounts were imported from Norway, Uruguay, Italy, Belgium, Argentina, Spain, Japan, France, and Portugal. Imports from Canada decreased in value from \$2,477 in 1936 to \$305 in 1937.

Wood-pulp imports showed a further increase from 84,460 tons at a value of \$3,859,696 in 1936 to 99,973 tons valued at \$5,415,910. Sweden continued to supply the bulk of the market with 63,690 tons worth \$3,395,022 (38,828 tons at \$1,771,939), followed by Germany, 7,390 tons valued at \$415,542 (20,649 tons at \$1,008,012); Finland, 7,360 tons and a value of \$413,813 (4,951 tons at \$206,478); and Czechoslovakia, 5,532 tons at \$337,448 (6,346 tons at \$346,202). Norway with 6,857 tons valued at \$327,413 (6,421 tons at \$196,690) and Great Britain with \$5,064 tons valued at \$258,450 (4,185 tons at \$188,135) were the next largest suppliers. Shipments from Canada fell from 2,029 tons valued at \$102,844 in 1936 to 740 tons worth \$56,159. Other shippers were the United States, Argentina, Austria, and France.

CHEESE

Cheese imports showed an increase from \$108,005 in 1936 to \$117,902 in 1937. Italy, as usual, was the chief supplier with \$93,989 (\$84,536), followed by Switzerland, \$11,180 (\$10,020); Portugal, \$3,649 (\$4,030); Great Britain, \$3,106 (\$2,580); Denmark, \$2,566 (\$2,460); and France, \$1,920 (\$3,378). Smaller amounts were imported from Germany, Argentina, and Sweden.

PRESERVED MILK

Imports of preserved milk increased from \$80,871 in 1936 to \$95,186 in 1937. The United States with \$49,941 (\$39,206) continued in first place, followed by Germany, \$27,882 (\$27,380), and Holland, \$8,550 (\$6,923). Smaller amounts were also imported from Argentina, Switzerland, Italy, Great Britain, and France. No imports from Canada are shown in Brazilian statistics, and detailed Canadian statistics are not yet available. However, as there are supplies of Canadian dried milk on the Brazilian market, it would appear that part of the amount credited in Brazilian statistics to the United States originated in Canada.

POTATOES

Local production of potatoes is rapidly increasing and is now meeting almost the entire requirements for table potatoes. Supplies are imported only when there is a local scarcity, and are therefore spasmodic. Brazilian production of potatoes increased from 309,832 tons in 1936 to 334,165 tons in 1937. Imports of table potatoes, however, showed an increase from 1,277 tons and a value of \$54,381 in 1936 to 1,324 tons and a value of \$61,827. Holland continued to be the most important supplier with 1,137 tons valued at \$52,777 (1,064 tons at \$45,155). Germany, \$2,418 (\$35), and Belgium, \$3,257 (\$8,747), were the other suppliers.

Brazilian statistics now show seed potatoes separately, and imports in 1937 amounted to 2,392 tons valued at \$124,282. Holland was the source of supply for the greater part of the imports, shipping 1,971 tons valued at \$91,443. Germany was in second place with 406 tons at a value of \$31,915, followed by Austria, \$505; Estland, \$210; Denmark, \$136; and Japan, \$73.

FISH

Under this heading dried codfish is the most important item imported into Brazil. There was a slight decrease in volume from 22,996 tons in 1936 to 21,080 tons in 1937, while value increased from \$2,894,235 to \$3,173,880. Newfoundland continued to dominate the market with 10,339 tons valued at \$1,493,030 (14,968 tons valued at \$1,685,442). Great Britain remained in second place among suppliers with 6,506 tons valued at \$1,027,498 (4,895 tons at \$743,697), followed by Norway with \$337,175 (\$245,528) and Iceland with \$171,080 (\$184,459). Imports from Canada showed a further increase from 193 tons valued at \$23,005 in 1936 to approximately 723 tons valued at \$107,732. Imports from Japan increased from 14 tons valued at \$2,108 to 45 tons valued at \$6,908. Denmark also showed an increase in her shipments to Brazil from 10 tons valued at \$1,491 to 96 tons at a value of \$14,856. Other suppliers were the United States, Portugal, Sweden, Greece, French Guiana, Haiti, and St. Pierre-Miquelon.

Imports of canned sardines decreased in both tonnage and value, from 825 tons valued at \$317,513 in 1936 to 775 tons valued at \$291,610. Portugal, as usual, was the most important supplier with 730 tons valued at \$273,795 (667 tons at \$254,759), followed by Spain, 11 tons valued at \$6,081 (130 tons at \$51,435) and France with 6 tons valued at \$5,173 (2 tons at \$2,474). Shipments from Japan increased in value to \$2,630 in 1937 (\$446). Imports from Norway decreased to \$1,012 in 1937 (\$3,342). The United States, Germany, Great Britain, Denmark, and Morocco were the other supplying countries.

Fresh, smoked, and canned salmon, anchovies, smoked herrings, fish oils, and pickled fish of various qualities are included under the heading "preserved fish and fish extracts," imports of which amounted to 553 tons valued at \$184,634 as against 420 tons at a value of \$133,619 in 1936. Portugal with \$67,548 (\$35,183) supplanted Japan with \$46,295 (\$36,567) as chief supplier. Other shippers were: Great Britain, \$12,165 (\$12,840); Holland, \$10,164 (\$8,370); Spain, \$8,981 (\$16,634); Germany, \$7,890 (\$3,473); Norway, \$7,603 (\$7,081); and the United States, \$6,685 (\$7,752). Smaller amounts were imported from Italy, Argentina, Iceland, and other countries of less importance. Shipments valued at \$90 (nil) are credited in Brazilian statistics to Canada.

WHEAT

Imports of wheat in 1937 were greater than in any year since 1920, amounting to 930,818 tons valued at \$41,821,735 as against 919,860 tons valued at \$35,636,499 in 1936.

Argentina, as usual, supplied almost all of the market requirements with shipments amounting to 909,629 tons valued at \$40,799,678 (913,668 tons at \$35,433,495). The United States, \$988,684 (nil), and Uruguay, \$33,413 (\$188,462), supplied the balance of the imports.

WHEAT FLOUR

Wheat flour imports decreased from 50,813 tons valued at \$2,660,038 in 1936 to 41,307 tons with a value of \$2,512,383. Argentina continued to obtain the largest share of the market, having supplied 31,173 tons valued at \$1,838,907 (29,458 tons at \$1,518,567). The United States with

5,846 tons valued at \$463,433 (6,452 tons at \$400,836) supplanted Uruguay, which shipped 3,691 tons valued at \$180,216 (14,157 tons at \$699,547), in second place. Imports from Canada decreased from 739 tons with a value of \$40,631 in 1936 to 591 tons valued at \$29,340.

MALT

Following a drop in imports in 1936 to 12,353 tons valued at \$1,009,566, the year 1937 showed a favourable increase to 15,053 tons valued at \$1,365,813. Czechoslovakia with \$321,883 (\$440,672) continued in first place among suppliers, followed by Hungary, \$298,905 (\$3,050); Poland, \$280,829 (\$47,208); Germany, \$247,936 (\$275,509); and Denmark, \$115,777 (\$150,996). Canada, showing a considerable increase in her shipments, occupied sixth place, \$48,572 (\$6,432), followed by Chile, \$46,378 (\$70,475), the United States, Holland, and Belgium with smaller amounts.

ESTIMATE OF ARGENTINE CORN CROP, 1937-38

The Canadian Trade Commissioner at Buenos Aires writes that the Argentine Ministry of Agriculture in their third and final estimate of the 1937-38 corn crop, issued on October 28, place the crop at 173,863,200 bushels from 15,311,777 acres seeded and 7,304,679 acres harvested. The large acreage abandoned was due to drought. The crop was 49·7 per cent and 47·1 per cent respectively below the last five- and ten-year averages.

CONDITIONS IN THE REPUBLIC OF HONDURAS, 1936-37

R. T. YOUNG, CANADIAN TRADE COMMISSIONER

(One lempira (Lp.) equals \$0.50 United States currency)

Mexico City, September 30, 1938.—The official memorandum covering the activities of the Government of Honduras for the fiscal year ended July 31, 1936, recently issued, shows that, despite the fact that the economic crisis became more acute, greater control of the spending departments resulted in a reduction in the budget deficit as compared with that of the previous year of more than 1,500,000 lempiras.

GOVERNMENT REVENUE AND EXPENDITURE

The budget for the year under review amounted to Lps.13,952,847. Expenditure was Lps.11,723,658 and revenue amounted to Lps.10,543,695, leaving a deficit of Lps.1,179,963. The deficit for the previous fiscal year was Lps.2,729,196. The increase in national revenue as compared with the previous fiscal year amounted to Lps.951,524, or approximately 9 per cent.

The internal debt increased by Lps.249,052, and the external debt decreased by Lps.400,000. The foreign debt of Honduras now amounts to Lps.6,123,876.

FOREIGN TRADE

The value of imports into Honduras in 1936-37 increased by U.S.\$1,664,141 to U.S.\$10,387,271. The figures for the past two years under the main headings are:—

	1936-37	1935-36
	Values in U.S. Dollars	
Live stock	4,565	2,835
Foodstuffs	1,171,854	1,176,857
Raw materials	1,331,711	1,426,276
Manufactured products	7,378,869	5,607,162
Gold, silver and coin	500,272	510,000
	<hr/> 10,387,271	<hr/> 8,723,130

The most important supplying countries are shown in the following table:—

	1936-37	1935-36
	Values in U.S. Dollars	
United States.. . . .	6,029,495	5,796,217
Japan	1,515,946	666,751
Germany	989,722	545,399
Curaçao	554,904	499,966
United Kingdom	341,711	309,349
El Salvador	251,848	117,164
Canada	138,066	104,940

The total value of imports in 1936-37 increased by \$1,664,141 over the value for 1935-36, the greater part of which is credited to Japan and Germany. Imports from the United Kingdom, Canada, and the United States all showed small increases. The dispute with Nicaragua resulted in a reduction in the value of imports from that country into Honduras from \$145,831 in 1935-36 to \$27,325. Imports from Curaçao, as usual, consisted of petrol and oil.

The value of exports totalled Lps.19,282,967, an increase of Lps.852,543 over the figures for the previous year. The principal countries of destination of exports were:—

	1936-37	1935-36
	Lempiras	
United States	17,126,754	15,038,146
Holland.. . . .	683,756	1,058,446
France	351,734	242,023
El Salvador	304,649	393,959
Belgium	277,356	.....
Germany	260,459	383,232
United Kingdom	116,423	1,050,922
Nicaragua	6,209	31,866

The quantities and values of the various items of export were:—

		Values
		U.S.\$
Bananas	stems	12,710,142
Silver	lbs.	257,496
Gold	lbs.	1,879
Coffee	lbs.	5,415,489
Coconuts	number	10,804,168
Live stock	head	10,071
Leaf tobacco	lbs.	1,028,174
Cigars.. . . .	number	22,530,775
		33,948

The United States took 88·8 per cent of the total exports. Other purchasers of importance were: Holland, 3·55; France, 1·8; El Salvador, 1·58; Belgium, 1·44; and Germany, 1·35 per cent.

EXCHANGE

The amount of exchange made available during the fiscal year was \$6,880,979, while demands amounted to \$6,790,555. The balance on hand at the end of the year was \$1,311,602 as compared with \$885,968 for the previous year.

JAPAN'S SUMMER AND AUTUMN COCOON CROP

A. K. DOULL, ASSISTANT TRADE COMMISSIONER

Tokyo, October 18, 1938.—According to a report of the Department of Agriculture and Forestry, the summer-autumnal cocoon crop for this year as at September 25 is estimated at 267,358,334 pounds, of which 267,226,145 pounds are white and 132,189 pounds are yellow cocoons. This estimate, when compared with the actual yield for last year, shows a decrease of 67,194,000 pounds or 20·1 per cent. This decrease is reported to be chiefly due to a shortage of labour occasioned by the Sino-Japanese hostilities and also to a decrease in supplies of mulberry leaves because of typhoon and flood damage.

The quantities of summer and autumn cocoons produced during the years 1933 to 1937 were as follows: 1933, 422,811,904 pounds; 1934, 320,340,719; 1935, 313,240,986; 1936, 343,078,177; 1937, 334,552,511 pounds.

TARIFF CHANGES AND CUSTOMS REGULATIONS

Ireland

CERTIFICATES OF ORIGIN

As the notice in *Commercial Intelligence Journal* No. 1806 (September 10, 1938), page 447, concerning certificates of origin prescribed for goods imported into Ireland referred only to goods entitled to tariff preference, the following summary of the different types of certificates of origin prescribed for imports in general into Ireland, as applicable to Canada, is given:—

For goods not entitled to tariff preference, Form 132.

For goods regarded as growth or produce entitled to preference, Form 119.

For manufactured goods entitled to preference on account of the United Kingdom-Ireland Trade Agreement, all excepting woven tissues of silk or artificial silk, Form 120A.

For other manufactured goods entitled to preference, Form 120.

Newfoundland

REGULATIONS GOVERNING THE IMPORTATION OF ANIMALS

The official *Newfoundland Gazette* of October 18, 1938, contains an order, effective as regards Canada from January 1, 1939, made under the Public Health and Welfare Act of 1931, respecting importation into Newfoundland of cattle, sheep, swine, goats, and horses. The order, among other things, requires health certificates signed by an official veterinarian of the exporting country except in the case of sheep, goats, and swine for slaughter.

In the case of cattle from modified accredited areas of any country, the certificates are to show that the cattle originated in such an area, that they are free from communicable disease, and have not been exposed to any such disease during the preceding sixty days. Cattle from tuberculosis-free accredited areas are to be from herds tested for tuberculosis within one year, found free of communicable disease, and not exposed to any such disease during the preceding sixty days. Dairy and breeding cattle from other than "tuberculosis-free herds" are to be certified as free from communicable disease and not exposed to any such disease during the preceding sixty days; they must also be accompanied by a satisfactory certificate of tuberculin test within sixty days preceding importation, and date and place of testing, ages and markings of the cattle are to be given. The certificates must indicate that the cattle were subjected to a blood test for Bang's disease with negative results within sixty days preceding shipment and give date and place of testing, names of the consignor and consignee, and a description of the cattle with breed, ages, and markings.

The certificates accompanying cattle for grazing, feeding and slaughter, sheep, goats, and swine for purposes other than slaughter, and horses, are to show that the animals have been inspected and found free from communicable diseases and not exposed to any such disease during the sixty days preceding inspection.

The customs entry must be accompanied by a statement signed by the owner, importer or his authorized agent, showing whether the animals are being imported for breeding, milk production, work, grazing, feeding, or slaughter, or forming part of settler's effects.

Chile—Great Britain

"MODUS VIVENDI" EXTENDED

Mr. S. G. MacDonald, Acting Trade Commissioner in Lima, Peru, reports that the *modus vivendi* between Great Britain and Chile, exchanging most-favoured-nation treatment between the two countries, which has been in effect since February 9, 1938, and which was extended until September 30, 1938 (see *Commercial Intelligence Journal* No. 1798: July 16, 1938, page 104) has been further extended from October 1 until November 30, 1938.

Bolivia

TARIFF CHANGES AND REMOVAL OF IMPORT PROHIBITIONS

Mr. S. G. MacDonald, Acting Trade Commissioner in Lima, Peru, reports under date October 26, 1938, that a Bolivian decree of September 30, 1938, provides for a widespread increase in customs duties on goods entering that republic. Some hundreds of items are affected by these changes, and additional surcharges range from 40 to 800 per cent. This decree abrogates those of July 1 and September 5, 1936 (see *Commercial Intelligence Journal* Nos. 1704 and 1712: September 26 and November 21, 1936), which provided for customs surcharges and import prohibitions on a wide scale. Likewise, decrees of November 9 and November 29, 1937, which were to the same general effect as the two decrees previously referred to, are annulled. Thus, those articles which were prohibited entry into Bolivia by the four decrees referred to are now admitted but are subject to heavy customs duties.

Details of the new rates applying to specific items may be obtained by interested Canadian exporters upon application to the Department of Trade and Commerce, Ottawa.

Norway

IMPORT DUTY ON APPLES REDUCED

Mr. W. B. Gornall, Canadian Fruit Trade Commissioner in London, reports that, as a result of seasonal change in the tariff, the duty on apples entering Norway will be 20 ore per kilo from November 28 until July 31, 1939. The rate of 20 ore had been applicable from March 16, 1938, to July 31, 1938, when it advanced to 40 ore. To the duty is added a temporary surtax and emergency tax leviable on most goods and which makes the new effective rate on apples 36 ore per kilo (nearly 4 cents per pound).

Netherlands

TURNOVER TAX LAW EXTENDED

Mr. J. A. Langley, Canadian Trade Commissioner at Rotterdam, advises that the Netherlands Turnover Tax Law, in effect since January 1, 1934, and due to expire on January 1, 1939, has been extended until January 1, 1944. The law, except as regards an extensive list of exempted goods, imposes a tax of 4 per cent of the value on first-hand sales by manufacturers and on imports, and a tax of 10 per cent on specially enumerated luxury goods.

Germany

TARIFF REDUCED ON BARLEY MEAL

A German order, published in the *Reichsgesetzblatt*, Part I, No. 173, effective November 5, provides free entry for meal resulting from the manufacture of pearled grain from barley temporarily admitted duty-free under customs authorization and delivered to a department designated by the Minister of Food and Agriculture. The former rate was 10 reichsmarks per 100 kilograms, or about \$1.84 per 100 pounds.

Germany (Austria)

TARIFF REDUCED ON WHEAT, RYE, BARLEY, AND OATS

A decree published in the *Reichszollblatt* No. 70 of September 17, 1938, and effective from July 25, reduces the duty on wheat, rye, barley, and oats when imported into Austria through a bureau to be designated by the German Minister of Food and Agriculture to 1.10 crown per 100 kilograms (about 11 cents per bushel). This reduction establishes rates on government-controlled cereal imports at the same level as those applicable to similarly controlled cereal imports into Germany. The former rate on wheat was 16 crowns per 100 kilograms (about \$1.60 per bushel); on rye and barley, 10 crowns per 100 kilograms (about \$1 per bushel); and on oats, 6 crowns per 100 kilograms (about 66 cents per bushel).

French Colonies

WHEAT AND FLOUR IMPORTS PROHIBITED

With reference to the notice in *Commercial Intelligence Journal* No. 1815 (November 12, 1938), page 849, concerning the wheat and flour import prohibition in French colonies, Mr. Hercule Barré writes that the decree does not apply to the French colonies of St. Pierre and Miquelon. The colonies in which this prohibition applies are Indo-China, French West Africa, French Equatorial Africa, Madagascar and its dependencies, Guadeloupe and its dependencies, Martinique, French Guiana, Island of Reunion, French Somaliland, New Caledonia, and other French establishments in Oceania.

The prohibition is stated to be the result of a large surplus of wheat in France at the present time. The report explaining the decree states that French colonies import about 70,000 tons of flour every year, and up to the present only 25,000 tons of this total have been coming from France. The decree provides for exception only in individual cases where an import licence has been obtained from the local Governor of each colony on the request of the importer.

Netherlands Indies

PROPOSED INCREASE IN SURTAX

Mr. B. C. Butler, Canadian Trade Commissioner, Singapore, advises that a Netherlands Indies draft ordinance (Notification No. 57, 1938) proposes an increase, effective January 1, 1939, from 25 to 50 per cent in a surtax on duties that has been in force for some time. Proposed exemptions from the surtax include: flour of wheat (in sacks), wine, distilled spirits, methyl alcohol, alcoholic fruit essences, and specified manufactures of cotton.

Siam

INVOICE REQUIREMENTS

Mr. B. C. Butler, Canadian Trade Commissioner at Singapore, reports under date October 25, 1938, that the Siamese Customs Department has issued full instructions with regard to the preparation of invoices covering shipments to Siam. Invoices must show: (a) whether goods are sold outright, on consignment, or supplied to a Siamese branch; (b) a complete description of the goods with the weight of each article; (c) the nature of the packages, with marks, numbers, quantities, and the gross and net weights of each; (d) the unit sale price of each article, the total value, all charges for insurance, freight, packing, etc., and any discounts or allowances.

FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING NOV. 14, 1938

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, November 14, 1938, and for the week ending Monday, November 7, 1938, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending Nov. 7	Nominal Quotations in Montreal Week ending Nov. 14	Official Bank Rate
Austria	Schilling	.1407	.1703	.1705	—
Belgium	Belga	.1001	\$.1703	\$.1705	2½
Bulgaria	Lev	.0072	.0126	.0126	6
Czechoslovakia	Koruna	.0296	.0346	.0346	3
Denmark	Krone	.2680	.2139	.2120	4
Finland	Markka	.0252	.0211	.0209	4
France	Franc	.0392	.0267	.0265	3
Germany	Reichsmark	.2382	.4033	.4037	4
Great Britain	Pound	4.8666	4.7912	4.7500	2
Greece	Drachma	.0130	.0088	.0088	6
Holland	Guilder	.4020	.5474	.5450	2
Hungary	Pengo	.1749	.2985	.2991	4
	Unofficial		.1978	.1981	—
Italy	Lira	.0526	.0529	.0530	4½
Yugoslavia	Dinar	.0176	.0232	.0229	5
Norway	Krone	.2680	.2407	.2387	1½
Poland	Zloty	.1122	.1894	.1893	4½
Portugal	Escudo	.0442	.0435	.0431	4-4½
Roumania	Leu	.0060	.0074	.0074	3½
Spain	Peseta	.1930	.0514	.0512	5
Sweden	Krona	.2680	.2508	.2447	2½
Switzerland	Franc	.1930	.2284	.2277	1½
United States	Dollar	1.0000	1.0068	1.0087	1
Mexico	Peso	.4985	.2033	.2031	3
Cuba	Peso	1.0000	1.0059	1.0080	—
Guadeloupe	Franc	.0392	.0267	.0265	—
Jamaica	Pound	4.8666	4.8010	4.7600	—
Martinique	Franc	.0392	.0267	.0265	—
Other British West Indies	Dollar	1.0138	.9981	.9895	—
Argentina	Peso (Paper)	.4245	.3194	.3172	3½
	Unofficial		.2522	.2330	—
Brazil	Milreis (Paper)	.1193	.0588	.0591	—
British Guiana	Dollar	1.0138	.9981	.9895	—
Chile	Peso	.1217	.0522	.0523	3-4
	Unofficial		.0403	.0404	—
Colombia	Peso	.9733	.5770	.5765	—
Peru	Sol	.2800	.2014	.2017	6
Venezuela	Bolivar	.1930	.3121	.3127	—
Uruguay	Peso	1.0342	.6302	.6264	—
South Africa	Pound	4.8666	4.7350	4.7437	3½
Egypt	Pound (100 Piastres)	4.9431	4.9137	4.8725	—
China (Shanghai)	Dollar	. . . . .	.1595	.1586	—
Hongkong	Dollar	. . . . .	.2982	.2968	—
India	Ruppee	.3650	.3577	.3551	3
Japan	Yen	.4985	.2793	.2769	3.29
Java	Guilder	.4020	.5487	.5450	—
Siam	Baht (Tical)	.4424	.4390	.4358	—
Straits Settlements	Dollar	.5678	.5566	.5520	—
Australia	Pound	4.8666	3.8325	3.8000	3
New Zealand	Pound	4.8666	3.8483	3.8150	2

The Dominion Bureau of Statistics has supplied the following note:—

Sterling and those currencies allied to it were decidedly weaker during the week ended November 14. Intervention of official stabilization funds was necessary at times to regularize the decline as persistence of rumours that the relation of the pound, French franc, and the United States dollar would be revised caused heavy selling. Another factor which created uneasiness was the report that the Anglo-American treaty would contain a clause devaluing the pound to between \$4.50-\$4.60. The pound's opening quotation of \$4.7898 on November 8 proved to be its high for the week, and a sharply accelerated decline brought it down to a new 1938 low of \$4.7496 on the 14th. The Belgian belge, one of the firmest of the European currencies, recorded a minor gain for the week, while the Netherlands florin was off fractionally. In order to improve the country's export trade, the official Argentine peso was devalued from 16 to 17 pesos to the pound on November 8. United States funds gained ¼ on the week, closing at a premium of ⅔ of 1 per cent. Recently published statistics disclose the fact that the flow of gold to the United States reached an all-time high of \$562,381,561 in October as compared with the previous high of \$520,907,282 recorded in September.

TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

Secretary, Board of Trade—

Saint John, N.B.
Halifax, N.S.
Quebec, P.Q.
Montreal, P.Q.
Toronto, Ont.
Chatham, Ont.

Kitchener, Ont.
Brantford, Ont.
Stratford, Ont.
Woodstock, Ont.
St. Mary's, Ont.
Portage la Prairie, Man.

St. Boniface, Man.
Winnipeg, Man.
Vancouver, B.C.
New Westminster, B.C.

Secretary, Chamber of Commerce—

Sherbrooke, P.Q.
Kingston, Ont.
Oshawa, Ont.
Belleville, Ont.

Peterborough, Ont.
London, Ont.
St. Catharines, Ont.
Hamilton, Ont.

Victoria, B.C.
Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.—

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

Secretary, Canadian Manufacturers Association—

Toronto, Ont.
Montreal, P.Q.

Winnipeg, Man.
Edmonton, Alta.

Vancouver, B.C.
Victoria, B.C.

Director, Trade Extension, Victoria, B.C.

Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.

Commodity	No.	Location of Inquirer	Purchase or Agency
Foodstuffs—			
Canned Fruits.....	557	New York City, New York	Purchase
Confectionery.....	558	St. John's, Newfoundland	Agency.
Sugar.....	559	Birmingham, England.....	Purchase.
Miscellaneous—			
Cod Liver Oil.....	560	Paignton, England.....	Purchase.
Drugs.....	561	St. John's, Newfoundland	Agency.
Toilet Articles.....	562	St. John's, Newfoundland	Agency.
Rubber Gloves (Surgical).....	563	Lisbon, Portugal.....	Purchase.
Rubber Gloves.....	564	Deep Dale, Gibraltar.....	Purchase.
Rubber Goods.....	565-568	Lisbon, Portugal.....	Agency.
Rubber Soles.....	569	Oporto, Portugal.....	Purchase and Agency.
Hosiery (Sport).....	570	Leicester, England.....	Agency.
Dresses.....	571	Leicester, England.....	Agency.
Furs.....	572	Lisbon, Portugal.....	Purchase and Agency.
Erasers.....	573	Lisbon, Portugal.....	Agency.
Spectacle Frames.....	574	London, England.....	Agency.
Newsprint.....	575	Lisbon, Portugal.....	Agency.
Wallpaper (Oatmeal).....	576	Lisbon, Portugal.....	Agency.
Fibre Board.....	577	New York City, New York	Agency.
Wood Pulp Board.....	578	New York City, New York	Agency.

TRADE INQUIRIES—*Concluded*

Commodity	No.	Location of Inquirer	Purchase or Agency
Miscellaneous—<i>Concluded</i>			
Opaque Glass Jars.....	579	Auckland, New Zealand...	Agency.
Bottle Tops (Plastic).....	580	Auckland, New Zealand...	Purchase.
Radiator Tubing.....	581	Lisbon, Portugal.....	Purchase.
Boilers (Gas-fired, for Central Heating).....	582	Birmingham, England....	Purchase and Agency.
Powdering Machine for Tuba Root.....	583	Singapore, Straits Settlements.....	Purchase.
Bench Metal-working Lathe.....	584	Wellington, New Zealand..	Purchase and Agency.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Montreal*To Liverpool.*—Duchess of Bedford, Nov. 25; Montrose, Nov. 25—both Canadian Pacific.*To London.*—Beaverford, Canadian Pacific, Nov. 25; Ausonia, Cunard-White Star Line, Nov. 25.*To Manchester.*—Manchester Progress, Nov. 24; Manchester Citizen, Nov. 28—both Manchester Line.*To Southampton.*—Duchess of Richmond, Canadian Pacific, Nov. 24.*To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.*—Bristol City, Bristol City and Dominion Lines, Nov. 23.*To Glasgow.*—Letitia, Donaldson-Atlantic Line, Nov. 25.*To Newcastle and Leith.*—Cairnvalona, Nov. 23; Cairnglen, Nov. 30—both Cairn-Thomson Line.*To Aberdeen and Hull.*—Consuelo, Ellerman's Wilson Line, Nov. 29.*To Dublin and Belfast.*—Melmores Head, Nov. 21; Dunaff Head (does not call at Dublin), Nov. 23—both Head Line (cargo accepted for Cork and Londonderry).*To Hamburg.*—Beaverford, Canadian Pacific, Nov. 25.*To Antwerp and Havre.*—August, County Line, Nov. 29.*To Rotterdam.*—Grey County, County Line, Nov. 23.*To Marseilles, Genoa, Leghorn, Naples, Messina, Palermo, Gibraltar and Lisbon.*—Capo Noli, Capo Line, Nov. 24 (will also call at Cadiz and/or Seville and/or Casablanca if sufficient cargo offers).*To St. John's, Nfld.*—Bencas, Nov. 21; Anna (also calls at Bay Roberts, Harbour Grace, Carbonear and Port Union), Nov. 22; Imogene, Nov. 28 or 29—all Shaw Line.*To Puerto Rico, Barbados, Trinidad and Demerara.*—Cornwallis, Canadian National, Nov. 24 (calls at Guadeloupe and Martinique if sufficient cargo offers).*To Hamilton, Nassau, Kingston and Belize.*—Lady Rodney, Canadian National, Nov. 23.*To Bermuda, St. Kitts, Antigua, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lundby, Ocean Dominion SS. Corp., Nov. 23 (calls at Guadeloupe and Martinique if sufficient cargo offered).*To Brisbane, Sydney, Melbourne and Adelaide.*—Port Montreal, Montreal Australia New Zealand Line, Nov. 25 (will also call at Geelong).*To Auckland, Wellington, Lyttelton and Dunedin.*—Port Saint John, Montreal Australia New Zealand Line, Nov. 21.*To Cape Town, Port Elizabeth, East London and Durban.*—Calgary (also calls at Free-town, Lourenco Marques and Beira), Elder Dempster Lines Ltd., Nov. 25.*To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Madras, Rangoon, Calcutta and Singapore.*—City of Khios, Canada-India Service, Nov. 26.

From Quebec

To Liverpool.—Montrose, Canadian Pacific, Nov. 29.

From Saint John

To Liverpool.—Montclare, Dec. 2; Duchess of York, Dec. 9; Duchess of Richmond, Dec. 13; Duchess of Atholl, Dec. 15; Montrose, Dec. 23—all Canadian Pacific.

To London.—Beaverbrae, Dec. 1; Beaverburn, Dec. 8; Beaverhill, Dec. 15; Beavertale, Dec. 22—all Canadian Pacific.

To Manchester.—Manchester City, Dec. 8; Manchester Division, Dec. 15; Manchester Regiment, Dec. 22—all Manchester Line.

To Southampton.—Duchess of Richmond, Canadian Pacific, Dec. 13.

To Avonmouth, Cardiff and Swansea.—Dakotian, Dec. 15; Dorelian, Dec. 31—both Cunard-Donaldson and Dominion Lines.

To Glasgow.—Athenia, Dec. 10; Sulairia, Dec. 21—both Donaldson-Atlantic Line.

To Newcastle and Leith.—Cairnesk (calls at Dundee), Dec. 13; Cairnmona, Dec. 20; Cairnross, Dec. 27—all Cairn-Thomson Line.

To Dublin and Belfast.—Torr Head, Head Line, Dec. 15 (cargo accepted for Cork and Londonderry).

To Hamburg.—Beaverford, Canadian Pacific, Dec. 29.

To Antwerp.—Beaverhill, Dec. 15; Beavertale, Dec. 22—both Canadian Pacific.

To Marseilles, Genoa, Leghorn, Naples, Messina, Palermo, Gibraltar and Lisbon.—Capo Lena, Capo Line, Dec. 21 (will also call at Cadiz and/or Seville and/or Casablanca if sufficient cargo offers).

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Nelson, Nov. 23; Lady Hawkins, Dec. 7; Lady Drake, Dec. 21—all Canadian National.

To Kingston and Jamaican Outports.—Metapan, Dec. 3; Darien, Dec. 17—both United Fruit Co.

To Brisbane, Sydney, Melbourne and Adelaide.—Kaikoura, Montreal Australia New Zealand Line, Dec. 30.

To Auckland, Wellington, Lyttelton and Dunedin.—City of Glasgow, Montreal Australia New Zealand Line, Dec. 10.

To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Madras, Rangoon, Calcutta and Singapore.—A steamer, Canada-India Service, Dec. 2 and 17.

To Cape Town, Port Elizabeth, East London and Durban.—Bereby, Dec. 15; Mattawin (also calls at Freetown, Lourenco Marques and Beira), Dec. 30—both Elder Dempster Lines Ltd.

From Halifax

To Liverpool.—Newfoundland, Nov. 29; Nova Scotia, Dec. 24—both Furness Line; Manchester Exporter, Nov. 22; Manchester Brigade, Dec. 29—both Manchester Line; Montclare, Dec. 3; Duchess of York, Dec. 10; Duchess of Richmond, Dec. 14—all Canadian Pacific.

To London.—Beaverbrae, Dec. 2; Beaverburn, Dec. 9; Beaverhill, Dec. 16—all Canadian Pacific.

To Manchester.—Manchester Commerce, Nov. 20; Manchester Progress, Nov. 27; Manchester Citizen, Dec. 1; Manchester City, Dec. 10; Manchester Division, Dec. 17—all Manchester Line.

To Southampton.—Duchess of Richmond, Canadian Pacific, Dec. 14.

To Newcastle and Leith.—Cairnglen, Dec. 2; Cairnesk (also calls at Dundee), Dec. 15—both Cairn-Thomson Line; Kyno, Nov. 23; Bassano, Dec. 8—both Ellerman's Wilson Line (do not call at Leith).

To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.—Montreal City, Nov. 21; Gloucester City, Dec. 23—both Bristol City and Dominion Lines; Dakotian, Cunard-Donaldson and Dominion Lines, Dec. 17.

To Aberdeen and Hull.—Kyno, Nov. 23; Bassano, Dec. 8—both Ellerman's Wilson Line.

To Glasgow.—Athenia, Dec. 12; Sulairia, Dec. 24—both Donaldson-Atlantic Line.

To Copenhagen and Gdynia.—Pilsudski, Nov. 30; Batory, Dec. 13—both Gdynia-American Line.

To St. John's, Nfld.—Fort Townshend, Nov. 21; Fort Amherst, Dec. 5—both Furness-Red Cross Line (also call at St. Pierre); Magnhild (also calls at St. Pierre and Newfoundland outports), Newfoundland-Canada SS. Ltd., Nov. 28 and Dec. 12; Portia, Newfoundland Ry. and SS. Co., Nov. 23 and Dec. 7; Newfoundland, Nov. 29; Nova Scotia, Dec. 24—both Furness Line.

To Kingston, Jamaica.—Cathcart, Nov. 21; Cavelier, Dec. 1; Lady Somers, Dec. 8—all Canadian National.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Nelson, Dec. 1; Lady Hawkins, Dec. 15—both Canadian National; Lundby, Ocean Dominion SS. Corp., Nov. 28 (calls at Guadeloupe and Martinique if sufficient cargo offered but not at Nevis or Montserrat).

To Puerto Rico, Barbados, Trinidad and Demerara.—Cornwallis, Nov. 28; Chomedy, Dec. 12—both Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To Santiago (Cuba) and Kingston (Jamaica).—Lillemor, Nov. 30; Kirsten B, Dec. 14—both Pickford & Black Ltd. (also call at Jamaican outports as cargo offers).

To Brisbane, Sydney, Melbourne and Adelaide.—Kaikoura, Montreal Australia New Zealand Line, Dec. 17 (will also call at Geelong).

To Auckland, Wellington, Lyttelton and Dunedin.—City of Glasgow, Montreal Australia New Zealand Line, Dec. 21.

To Far East Ports.—Javanese Prince, Furness-Prince Line, Nov. 21; Silverwalnut, Silver Line, Dec. 3.

From Vancouver

To Yokohama, Kobe and Osaka.—Hie Maru, Dec. 3; Heian Maru, Dec. 22—both Nippon Yusen Kaisha.

To Yokohama, Kobe, Shanghai, Hongkong and Manila.—Empress of Russia (calls at Nagasaki), Nov. 26; Empress of Japan (calls at Honolulu), Dec. 10; Empress of Asia (calls at Nagasaki), Dec. 24; Empress of Canada (calls at Honolulu), Jan. 7—all Canadian Pacific; Talthybius, Blue Funnel Line, Dec. 3 (calls at Miike but not at Manila).

To Shanghai.—Queen Victoria, North Pacific Shipping Co. Ltd., December.

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COMMERCIAL INTELLIGENCE JOURNAL

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Ottawa, November 26, 1938

No. 1817

In This Issue—



CANADA-UNITED STATES TRADE AGREEMENT

TARIFF CHANGES AND TRADE AFFECTED

UNITED KINGDOM-UNITED STATES TRADE AGREEMENT

HOW IT AFFECTS CANADIAN TRADE WITH THE
UNITED STATES, THE UNITED KINGDOM, THE
BRITISH COLONIES AND NEWFOUNDLAND

ISSUED BY AUTHORITY OF
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE
JAMES G. PARMELEE, DEPUTY MINISTER

CONTENTS

	Page
Canada-United States Trade Agreement, 1938	897
United Kingdom-United States Trade Agreement.....	912
Empire Exhibition, Glasgow, 1938	927
Canada's Domestic Exports to the United States of Principal Commodities affected by the Canada-United States Trade Agreement: October and Ten Months ended October, 1937 and 1938	928
Use of Starch in Coal Washing	932
Decline in Shipbuilding	933
Mr. Mutter's Tour of Canada	934
Canada-Bermuda Onion Trade	935
Australian Wheat and Flour	936
Market Conditions for Sausage Casings in the Netherlands	937
Fur Trade in Portugal	939
Foreign Trade of Greece, Roumania, and Bulgaria, January- June, 1938	940
Roumania's Cereal Crops.....	942
Cyprus Mining Industry in 1937.....	943
Japanese Corporation Profits, January-June, 1938	943
United Kingdom Merchandise Marks Act.....	945
Tariff Changes and Customs Regulations	945
Foreign Exchange Quotations	947
Trade Inquiries for Canadian Products	948
Proposed Sailings from Canadian Ports	948
Commercial Intelligence Service	951

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Vol. LIX

Ottawa, November 26, 1938

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CANADA-UNITED STATES TRADE AGREEMENT, 1938

Trade agreements between Canada and the United States and between the United Kingdom and the United States were signed at Washington on Thursday, November 17, 1938. The general provisions of the new Canada-United States Trade Agreement are, with a few exceptions, similar to those of the agreement now in force. Canada and the United States continue to guarantee each other unconditional most-favoured-nation treatment in respect of customs duties and related matters, with the usual exceptions in recognition of the special status of Canadian relations with other British countries and of United States relations with Cuba.

Under this provision each country obligates itself to extend to the other, immediately and without compensation, the most advantageous customs treatment, including the lowest rates of customs duties, which it grants to any other country, either under trade agreements or otherwise, with the exceptions noted above. The most-favoured-nation principle applies not only to customs duties but also to such matters as prohibitions or restrictions on imports or exports, the allocation of import quotas, foreign purchases by any Government-controlled monopoly in either country, and either Government's purchases of supplies from abroad. Canada, therefore, secures the benefit of the tariff concessions granted by the United States to the United Kingdom, and to other countries, in the past or in the future. This is a feature of the agreement which becomes of increasing importance to Canadian exporters as the United States trade agreements program develops.

EXTENT OF CONCESSIONS TO CANADA

Under the new agreement Canada secures concessions on 202 items and sub-items of the United States tariff. In 1937 the value of the imports into the United States from Canada under these items and sub-items, according to the United States trade returns, amounted to \$327,505,484 as compared with total imports from Canada valued at \$394,240,823. The concessions, therefore, cover 83 per cent of Canadian sales to the United States.

Of the total imports into the United States from Canada in 1937, goods to the value of \$156,232,137 were dutiable. The new agreement contains concessions on 170 dutiable items and sub-items, covering products imported from Canada valued in 1937 at \$124,825,174 or about 80 per cent of the total imports of dutiable goods.

With regard to free goods, United States imports from Canada in 1937 were valued at \$238,008,686. The new agreement contains 32 bindings of free entry, covering products imported last year from Canada to the value of \$202,680,310 or 85 per cent of the total imports of free goods.

The new agreement renews or betters all the concessions secured for Canadian exports under the 1935 agreement, and contains a large number of entirely new concessions. Whereas the 1935 agreement provided for reductions in United States duties affecting 63 items and sub-items of the United States tariff, the new agreement includes 129 new reductions in rates of duty covering trade valued in 1937 at \$72,981,492. In addition, there are 41 bindings of existing United States rates of duty, including 32 rates reduced in the 1935 agreement, the total trade affected by these bindings being valued in 1937 at \$51,843,682. Furthermore, the 1935 agreement contained a number of quotas limiting the imports allowed at reduced rates of duty. In each case in which it was found that these quotas actually restricted Canadian exports, the new agreement provides for a complete removal of, or a substantial increase in, the quota. Finally, existing free entry was bound on 32 items and sub-items in the new agreement as compared with 20 in the 1935 agreement.

The following is a summary of the concessions to Canada which are incorporated in the new trade agreement, showing the number of items and sub-items affected and the value of the imports into the United States from Canada in 1937 of articles covered by these items and sub-items:—

Summary of United States Concessions to Canada

Dutiable List	Number of Items and Sub-items	Value of Imports from Canada in 1937
Reductions in duty on items not included in 1935 Trade Agreement.	100	\$ 45,894,401
Further reductions in duty on items reduced in 1935 Trade Agreement.	25	19,769,275
Reductions in duty on items bound in 1935 Trade Agreement.	4	7,317,816
Bindings of rates of duty reduced in 1935 Trade Agreement	32	48,645,775
New bindings of existing rates of duty	9	3,197,907
Total	170	\$124,825,174
Free List		
Bindings included in 1935 Trade Agreement which are rebound.	20	\$186,628,077
New bindings of free entry not included in 1935 Trade Agreement	12	16,052,233
Total	32	\$202,680,310
Grand total	202	\$327,505,484

The President of the United States is authorized by the Trade Agreements Act to reduce rates of duty established by the Tariff Act of 1930 by not more than 50 per cent through the conclusion of trade agreements with other countries. He is not authorized to transfer articles from the dutiable list to the free list. Consequently, the maximum reduction in duty which Canada could secure on any article as a result of the negotiation of a trade agreement was a 50 per cent reduction from the rate under the Tariff Act of 1930.

The following table shows the extent to which United States duties on Canadian products are reduced in the new agreement, and the value of imports from Canada affected by these reductions:—

Dutiable Imports Affected According to Extent of Concessions

Reduction from Rates of Duty Established by Tariff Act of 1930	Number of Items	Value of Imports from Canada in 1937
50 per cent	107	\$ 76,577,000
40 to 49 per cent.	24	2,787,000
30 to 39 per cent.	10	1,957,000
20 to 29 per cent.	20	20,625,000
10 to 19 per cent.	4	19,863,000
Bindings of Tariff Rates	5	3,016,000
Total	170	\$124,825,000

It will be seen that Canada secures the maximum reduction of 50 per cent of the duty on products imported from Canada in 1937 to the value of \$76,577,000 or 49 per cent of the total value of dutiable imports from Canada in that year.

PRINCIPAL PRODUCTS AFFECTED BY NEW CONCESSIONS

The following are some of the principal products on which entirely new or additional concessions are secured under the new Trade Agreement:—

Agricultural Products.—Live cattle, hog products, edible animal offal, cream, milk, cheese, eggs, horses, honey, oats, barley, rye, buckwheat, ground oats, oatmeal, rolled oats and oat grits, rye malt, buckwheat flour, feed wheat, bran, shorts and other by-product feeds, mixed feeds, screenings, cereal breakfast foods, hulls of grains, malt sprouts and brewers' grains, fresh and frozen blueberries, cider, bent-grass, Western rye-grass, brome grass and red clover seeds, seed and table potatoes, hay, straw, flax straw, maple sugar, maple syrup, and silver or black fox furs or skins.

Fishery Products.—Fish of the cod family (cod, haddock, hake, pollock and cusk) in practically every form, whole or filleted, whether fresh, frozen, pickled, dried, or smoked; fresh, frozen, pickled or smoked salmon, fresh swordfish, fresh or frozen mackerel, vinegar cured and salt split herring, fresh or frozen blue pike, ciscoes, lake herring, and yellow perch, fresh sturgeon, fresh or frozen shad, pickled or salted alewives, shark oil including dogfish-liver oil.

Forest Products.—Lumber, red cedar shingles, maple and birch veneers, hubs for wheels, heading bolts, stave bolts, last blocks, wagon blocks, heading blocks, match blocks, sticks, etc., casks, barrels (other than beer barrels), and hogsheds, paint-brush handles, broom and mop handles, tennis racket frames, toboggans, canoes and paddles, baby carriages, wheel barrows, carriages, drays, trucks, and other horse-drawn vehicles of wood, uncoated printing paper, hanging paper, tissue papers and crepe paper, tourist literature, and Christmas trees.

Minerals and Metals.—Nickel in pigs, ingots, etc., aluminum in crude form, zinc-bearing ores and zinc in blocks, pigs or slabs, and zinc dust, cadmium, crude or ground, nepheline syenite, crude feldspar, dead-burned basic refractory material, untrimmed mica and mica waste and scrap, lime, hydrated lime, unmanufactured and manufactured bentonite, bulk and packaged salt, ground or crushed stone, fire brick, ordinary brick, refractory cements, spiegeleisen, ferromanganese, ferrosilicon, boron carbide, hollow drill steel.

Chemicals.—Acetic acid, crude calcium acetate, acetylene and gas black including carbon black, and Canada balsam.

Manufactured Goods.—Agricultural implements, patent leather, horsehide and cowhide gloves, skating boots, pipe-organs and pipe-organ player actions and parts, yachts and motor boats, rubber hose and hose of vegetable fibre, woven wire cloth, metal axles and parts, iron castings of all kinds, moulders' patterns, iron and steel chains, electric stoves and ranges, electric washing machines, and waste, including textile and fur waste.

DATES OF OPERATION AND TERMINATION OF THE AGREEMENT

The new Canada-United States Trade Agreement will technically become operative from the date on which effect is given by Presidential proclamation to the provision of Article IX exempting Canadian lumber from compliance with the restrictive marking requirements. Provisional effect will be given to the tariff treatment provided for United States and Canadian goods entering the other country under the terms of Schedules I and II of the new agreement respectively from January 1, 1939. In the period while the tariff reductions of the agreement are in force provisionally, the corresponding provisions of the existing agreement will be inoperative. When ratification of the new agreement has been exchanged for a copy of the President's proclamation it will come definitively into force and the existing agreement will terminate. The new arrangement respecting the importation of red cedar shingles into the United States will be effective with the definitive entry into force of the whole trade agreement.

The new agreement applies for a fixed term of three years from the date of its first coming into force and thereafter will be terminable by either country on six months' notice.

SAFEGUARDING CLAUSES

Each country undertakes that it will not impose quantitative restrictions or prohibitions upon imports from the other country of products upon which concessions have been granted except such restrictions as may become necessary by reason of governmental measures which operate to control the production, marketing, quality, or price of like domestic products or to increase the labour costs of their production. Before imposing such restrictions on imports the Government proposing to take such action must give notice in writing to the other Government, and if no agreement can be reached regarding the proposal, but the action is nevertheless taken, the Government to whose products the regulations apply shall have the right to terminate the agreement.

The agreement also provides that the general principles upon which the dutiable value of products listed in the schedules is determined for the purpose of assessing ad valorem duties shall not be so altered as to impair the value of any of the concessions. Either country may terminate the agreement upon thirty days' notice if the rate of exchange between the currencies of the two countries varies so substantially as to prejudice its industries or commerce.

If, contrary to expectations, a third country proves to be the principal beneficiary of a concession granted under the agreement, and imports of the product concerned increase to such an extent as to threaten serious injury to domestic producers, the country granting the concession may withdraw or restrict it.

FORMER AND NEW RATES OF DUTY

The following statement prepared by the United States Tariff Commission shows the former and new rates of duty on items in Schedule II (United States concessions to Canada), and the total imports into the United States and the imports from Canada under each item according to preliminary United States statistics for the year 1937:—

LIST OF CONCESSIONS MADE BY THE UNITED STATES IN SCHEDULE II

[Data prepared by the United States Tariff Commission]

DUTABLE ARTICLES

Ad valorem equivalents of specific and compound duties in new agreement are based on 1937 imports.

Paragraph, Tariff Act of 1930	Description of commodity	Rate of duty		Ad valorem equiva- lent of new rate	Value of imports, 1937 (preliminary)	
		Tariff Act of 1930	Under 1935 agreement		Total	From Canada
<i>Schedule 1—Chemicals, Oils and Paints</i>						
1	Acetic acid containing by weight of acetic acid: Not more than 65 per cent.....	1½c. per lb.....	1½c. per lb.....	14	\$3,875	\$3,764
2	More than 65 per cent.....	2c. per lb.....	1½c. per lb.....	14	1,692,063	1,691,968
10	Vinyl acetate and synthetic resins made in chief value therefrom, not specially provided for.....	6c. per lb.+30%.....	3c. per lb.+15%.....	27	240,049	239,583
11	Fir or Canada balsam.....	10%.....	10%.....	5	4,689	4,689
16	Synthetic resins, made in chief value from vinyl acetate, not specially pro- vided for.....	4c. per lb.+30%.....	3c. per lb.+15%.....	22	404	404
16	Calcium acetate, crude.....	1c. per lb.....	1c. per lb.....	8	1,059,432	1,059,432
29	Cobalt oxide.....	20c. per lb.....	10c. per lb.....	9	355,972	204,767
52	Sperm oil, crude.....	50c. per gal.....	2½c. per gal.....	10	(1)	(1)
52	Shark oil and shark-liver oil, including oil produced from sharks known as dogfish, not specially provided for.....	20%.....	20%.....	(1)	(1)	(1)
Rev. Act of 1932, Sec. 601 (c) 1.	Tax.....	3c. per lb.....	3c. per lb.....	12½	139,904	137,290
58	Cedar-leaf oil.....	25%.....	12½%.....	14	8,008	2,610
71	Black pigments, dry or ground in or mixed with oil or water, not specially provided for: Acetylene black..... Gas black, including carbon black.....	20%..... 20%.....	15%..... 20%.....	24	80,248	11,576
81	Salt: In bags, sacks, barrels, or other packages..... In bulk.....	11c. per 100 lbs..... 7c. per 100 lbs.....	7c. per 100 lbs..... 7c. per 100 lbs.....	10 10	37,601 15,501	29,912 9,934
<i>Schedule 2—Earths, Earthenware, and Glassware</i>						
201 (a)	Fire brick, not specially provided for.....	25%.....	15%.....	12½	56,630	50,752
201 (b)	Brick, not specially provided for, not glazed, enamelled, etc.....	\$1.25 per thousand.....	\$1 per thousand.....	7	15,501	9,934
203	Limestone, not suitable for monumental or building stone, crude.....	5c. per 100 lbs.....	2½c. per 100 pounds.....	22	4,492	4,492
203	Lime, not specially provided for.....	10c. per 100 lbs.....	5c. per 100 lbs.....	10	76,720	75,615
203	Hydrated lime.....	12c. per 100 lbs.....	8c. per 100 lbs.....	10	13,885	11,524
205 (d)	Cement, not specially provided for.....	20%.....	20%.....	10	56,630	50,752
207	Bentonite: Unwrought and unmanufactured..... Wrought or manufactured.....	\$1.50 per ton..... \$3.25 per ton.....	\$1.50 per ton..... \$1.62½ per ton.....	5 4	30 91,885	30 91,885
208 (f)	Crude feldspar.....	50c. per ton.....	25c. per ton.....	10	9,091	9,091
208 (f)	Untrimmed phlogopite mica, small pieces.....	15%.....	10%.....			

¹ Not available. ² Reduced to 12½% in the French agreement, effective June 15, 1936.

LIST OF CONCESSIONS MADE BY THE UNITED STATES IN SCHEDULE II—Continued

DUTIABLE ARTICLES—Continued

Paragraph, Tariff Act of 1930	Description of commodity	Rate of duty		Ad valorem equiva- lent of new rate	Value of imports, 1937 (preliminary)		
		Tariff Act of 1930	Under 1935 agreement		Under new agreement	Total	From Canada
<i>Schedule 2—Earths, Earthenware, and Glassware—Concluded</i>							
208 (g)	Phlogopite mica waste and scrap valued at not more than 5 cents per pound.	25%	25%	15	\$ 336,355	\$ 11,971	
208 (h)	Mica ground or pulverized.	20%	20%	15	1,233	1,233	
209	Talc, steatite, or soapstone, ground, etc., (except toilet preparations), valued at not more than \$14 per ton (1936 agreement covered talc valued at not more than \$12 50 per ton).	35%	25%	17½	4 102,015	4 52,484	
214	Ground feldspar.	30%	30%	15			
214	Ground nepheline syenite.	30%	30%	15		(1)	
	In event imports of crude and ground nepheline syenite together exceed 50,000 tons per annum, the two Governments shall consult regarding action to be taken. If consultation results in no agreement, the United States Government shall be free to increase the duty on imports in excess of 50,000 tons in any calendar year. (See also par. 1719, Free List.)						
214	Stone, not specially provided for, ground or crushed, except Cornwall stone and marble chip (granite).	30%	30%	15		(1)	
214	Dead-burned basic refractory material containing 15 per cent or more of lime and consisting chiefly of magnesite and lime.	30%	27½%	20	\$ 231,084	\$ 231,084	
<i>Schedule 3—Metals and Manufactures of</i>							
301	Spiegeleisen containing more than 1 per cent of carbon.	75c. per ton.	75c. per ton.	2	589,766	551,321	
302 (d)	Ferromanganese containing not less than 4 per cent carbon, on manganese content.	1½c. per lb.	1c. per lb.	29	1,221,139	426,739	
	The duty in the old and new agreements is equal to 1½ times the duty on manganese in ore plus ½ cent; at the present rate of ½ cent per pound on manganese, this amounts to 1 cent.						
302 (i)	Ferrosilicon, containing 8 per cent but less than 30 per cent silicon, on silicon content.	2c. per lb.	1½c. per lb.	11	287,234	287,234	
302 (k)	Ferrotinome or ferrochromium containing 3 per cent or more carbon, on chromium content.	2½c. per lb.; 1½c. per lb. ⁶	1½c. per lb.	14	19,066	18,179	
302 (l)	Baron carbide.	25%	25%	12½	7,973	7,973	
302 (m)	Ferrotitanium, ferrovanadium, and ferrovanadium.	25%	15%	15	608		
304	Hollow bars and hollow drill steel valued at 8 to 12 cents per pound.	3½c. per lb.	3½c. per lb.	20	4,063	45	
318	Woven-wire cloth: Gauze, fabric, or screen made of wire of steel, brass, copper, bronze, or other metal or alloy, not specially provided for. With meshes not finer than 30 wires to the lineal inch in warp or filling.	25%	25%	(1)	32,428	14,947	
	With meshes finer than 30 and not finer than 90 wires to the lineal inch in warp or filling.	40%	40%	(1)	24,358	7,558	
323	Axles and parts thereof, axle bars, axle blanks, and forgings for axles, of iron or steel, not specially provided for, valued at not more than 6 cents per pound.	6/10c. per lb.	6/10c. per lb.	6	3,044	1,603	

327 327	Cast-iron fittings for cast-iron pipe. Cast-iron and iron, plates, stove plates, sad-iron, tailors' irons, hatters' irons, but not including electric irons, and castings and vessels wholly of cast iron, including all castings of iron or cast-iron plates which have been advanced in condition by processes subsequent to casting but not made into articles or parts.	25% 20%	15% ⁷ 20%	15% ⁷ 10%	15 10	83,562 113,384	83,245 99,414
327	Molders' patterns, for castings.....	50%	50%	25%	25	6,261	5,084
329	Chains of iron or steel.....	14c per lb.....	14c per lb.....	3c per lb.....	13	19,380	13,947
	Less than 3/4 and not less than 5/16 of 1 inch in diameter.....	24c per lb.....	24c per lb.....	14c per lb.....	14	1,570	94
353	Electrical washing machines and parts, not specially provided for.....	35%	35%	17 1/2%	17 1/2	(1)	(1)
353	Electrical cooking stoves and ranges and parts, not specially provided for.....	35%	25%	17 1/2%	17 1/2	254	124
370	Motor boats, valued at not more than \$15,000 each.....	30%	30%	15%	15	8 101,142	8 16,363
	The term "motor boats" includes yachts or pleasure boats, whether sail, steam, or motor propelled.....						
374	Aluminum, aluminum strip, and alloys, crude.....	4c per lb.....	4c per lb.....	3c per lb.....	20	6,770,400	4,076,346
378	Cadmium.....	15c per lb.....	15c per lb.....	74c per lb.....	6	1,075,330	354,014
385	Ni-kef, and alloys in pigs or ingots, shot, cubes, grains, cathodes, etc.....	3c per lb.....	3c per lb.....	24c per lb.....	10	20,299,398	19,767,939
393	Zinc-heating ores, except pyrites containing not more than 3 per cent zinc, on zinc content.....	14c per lb.....	14c per lb.....	14c per lb.....	45	9 177,457	9 292
394	Zinc in blocks, pigs, or slabs, and zinc dust.....	14c per lb.....	14c per lb.....	14c per lb.....	27	10 3,856,153	10 734,583
<i>Schedule 4—Wood and manufactures of</i>							
401	Lumber and timber: (1) Douglas fir and Western hemlock— Tariff rate.....	\$1 00.....	\$0 50.....	\$0 50.....	8	11 2,914,365	11 2,914,365
	Reduced duty and tax in old agreement applied to no more than 250,000 M bd ft per calendar year. Rates in new agreement to apply without quantity restriction.....	\$3 00.....	\$1 50.....	\$1 50.....			
	(2) Northern pine, Norway pine, western white spruce— Tariff rate.....	\$1 00.....	\$0 50.....	\$0 50.....	2	13 2,465,480	13 2,317,781
	Revenue tax.....	\$3 00.....	Tax repealed in 1938. ¹²	Tax repealed in 1938. ¹²			
	Old agreement reduced revenue tax to \$1 50; tax repealed by Con- gress in 1938.....						
	(3) Spruce, fir, hemlock, and fir of species not specified above; also larch— Tariff rate.....	\$1 00.....	\$0 50.....	\$0 50.....	7	14 8,069,970	14 6,744,024
	Revenue tax.....	\$3 00.....	\$1 50.....	\$1 50.....			
	(4) Softwood of species not listed under (1), (2), and (3); also hardwoods, except caliche woods specified below— Tariff provision.....	Free.....	Bound free.....	Bound free.....	3	15 4,582,518	15 4,491,050
	Revenue tax.....	\$3 00.....	\$1 50.....	\$1 50.....			
	(5) Caliche woods.....	Free.....	Bound free.....	Not covered. ¹³			
	Tariff provision.....	\$3 00.....	\$1 50.....	Not covered. ¹³			
	Revenue tax.....						

¹ Not available.

² Includes Muscovite mica.

³ Includes only talc, etc., valued at not more than \$12 50 per ton.

⁴ Statistics cover metal dust containing 6 per cent or more of lime.

⁵ Includes all fire and hemlock imports of fir and hemlock other than Douglas fir and Western hemlock are small.

⁶ The effect of this rule is that the total import charge may not exceed 50 cents so long as this agreement remains in effect.

⁷ Includes all species of pine; imports of pine other than northern pine and Norway pine are small.

⁸ Includes all species of spruce, but does not include specified species of pine, hemlock, and fir.

⁹ Includes \$79,244 from all countries and \$49,184 from Canada not subject to excise tax.

¹⁰ Includes \$4,536 from all countries and \$4,521 from Canada not subject to excise tax.

¹¹ The effect of excluding these woods from the agreement is to restore the statutory revenue tax of \$3 per M ft.

¹² Reduced to 14c per lb in the Swedish agreement, effective August 5, 1935.

¹³ Reduced to 15 per cent in the French agreement, effective June 15, 1936.

¹⁴ Includes boats valued at more than \$5,000 each.

¹⁵ Includes imports of dutiable zinc ores only.

LIST OF CONCESSIONS MADE BY THE UNITED STATES IN SCHEDULE II—Continued

DUTYABLE ARTICLES—Continued

Paragraph, Tariff Act of 1930	Description of commodity	Rate of duty			Ad valorem equiva- lent of new rate	Value of imports, 1937 (preliminary)	
		Tariff Act of 1930	Under 1935 agreement	Under new agreement		Total	From Canada
<i>Schedule 4—Wood and manufactures of—Concluded</i>							
	Balsa and teak are specifically excluded in the old and the new agree- ments. Other hardwoods specifically excluded in the new agree- ment, which were not excluded in the old, are: Cedar, commercially known as Spanish cedar, lignum-vitae, lancewood, ebony, box, gran- adilla, mahogany, rosewood, satinwood, Japanese white oak, or Japanese maple.						
402	Flooring of maple (except Japanese maple), birch, and beech.	8%	4%	4%	\$ 83,613	\$ 83,613	
405	Veneers of birch and maple.	20%	20%	10%	(1)	(1)	
406	Hubbs for wheels, heading and stave bolts, last and other blocks, etc., rough- shaped, sawed or bored.	10%	10%	5%	75,543	71,528	
407	Casks, barrels, and hogsheds, of wood, not specially provided for, not includ- ing beer barrels or beer kegs.	15%	15%	7½	7,014	3,660	
412	Paint-brush handles of wood.	33½%	33½%	20%	12,002	11,736	
412	Broom handles and mop handles, advanced, not less than ¾ inch in diameter and not less than 38 inches in length; tennis-racket frames, valued at \$1.75 or more each; toboggans; baby carriages; wheelbarrows; canoes and canoe paddles; carriages, drays, trucks, and other horse-drawn vehicles, and parts thereof, not specially provided for; wholly or in chief value of wood.	33½%	33½%	20%	(1)	(1)	
412	Ice-hockey sticks of wood.	33½%	20%	20%	11,312	10,292	
<i>Schedule 5—Sugar, molasses, and manufactures of</i>							
503	Maple sugar.	6c. per lb.	4c. per lb.	3c. per lb.	914,922	914,915	
503	Maple sirup.	4c. per lb.	4c. per lb.	2c. per lb.	18,384	18,384	
701	Cattle weighing less than 200 pounds each (calves). Rate under old agreement applied to cattle weighing less than 175 pounds each, and annually to no more than one-fourth of 1 per cent of the average annual total number of cattle (including calves) slaughtered in the United States during 1928-32 (51,933 head). Rate under new agreement to apply annually to no more than 100,000 head weighing less than 200 pounds each. Rate of 2½ cents per pound, applicable to imports in excess of quantity restriction, is bound against increase.	2½c. per lb.	1½c. per lb.	1½c. per lb.	17,256,822	17,245,766	
701	Cattle weighing 700 pounds or more each (dairy cows). Rate under old agreement applied to no more than 20,000 head annually. Rate under new agreement applies without quantity restriction.	3c. per lb.	1½c. per lb.	1½c. per lb.	425,318	425,318	
701	Cattle weighing 700 pounds or more each, not specially provided for. Rate under old agreement applied annually to no more than three- fourths of 1 per cent of the average annual total number of cattle (including calves) slaughtered in the United States during 1928-32 (155,799 head).	3c. per lb.	2c. per lb.	1½c. per lb.	11,424,145	11,006,472	

Rate under new agreement to apply annually to no more than 225,000 head, and in no quarter-year to more than 60,000 head.		Rate of 3 cents per pound applicable to imports in excess of quantity restriction, is bound against increase.	
703	Swine.....	2c. per lb.....	1c. per lb.....
703	Pork, fresh or chilled, but not frozen.....	2½c. per lb.....	1½c. per lb.....
703	Bacon, hams and shoulders, and other pork, prepared or preserved, not cooked, boned, or canned, or made into sausage.....	3½c. per lb.....	2c. per lb.....
706	Edible animal livers, kidneys, tongues, etc., fresh, chilled or frozen.....	6c. per lb.; min. 20%.....	3c. per lb.; min. 15%.....
707	Whole milk, fresh or sour.....	6½c. per gal.....	3½c. per gal.....
	Reduced rate to apply to no more than 3,000,000 gallons annually.		
	Rate of ½ cents per gallon, applicable to imports in excess of 3,000,000 gallons, bound against increase.		
707	Cream, fresh or sour.....	5½¢ per gal.....	25¢ per gal.....
	Rates under old and new agreements applicable on no more than 1,500,000 gallons annually.		
	Rate of 5½ cents per gallon applicable to imports in excess of 1,500,000 gallons, bound against increase.		
707	Skimmed milk, fresh or sour, and buttermilk.....	2½¢ per gal.....	2½¢ per gal.....
710	Dried buttermilk.....	3c. per lb.....	1½c. per lb.....
	Cheddar cheese in original loaves.....	7c. per lb.; min. 35%.....	4c. per lb.; min. 25%.....
710	Cheddar cheese, other, not processed.....	7c. per lb.; min. 35%.....	4c. per lb.; min. 25%.....
711	Birds, live: Chickens, ducks, geese, turkeys and guineas.....	8c. per lb.....	4c. per lb.....
712	Birds, dead, fresh, chilled, or frozen: Chickens and guineas.....	10c. per lb.....	6c. per lb.....
713	Ducks and geese.....	10c. per lb.....	6c. per lb.....
714	Eggs of chickens, in the shell.....	10c. per doz.....	5c. per doz.....
	Horses: Valued at not more than \$150 per head.....		
	Valued at more than \$150 per head.....		
716	Honey.....	\$30 per head.....	\$15 per head.....
722	Barley, hulled or unhulled.....	20%.....	17½%.....
722	Barley malt.....	3c. per lb.....	1½c. per lb.....
723	Buckwheat, hulled or unhulled.....	20c. per bu.....	15c. per bu.....
723	Buckwheat flour and grits or groats.....	40c. per 100 lbs.....	30c. per 100 lbs.....
726	Hulled oats, unfit for human consumption.....	2c. per 100 lbs.....	15c. per 100 lbs.....
726	Oats, hulled or unhulled.....	3c. per lb.....	3½c. per lb.....
726	Unhulled ground oats.....	16c. per bu.....	8c. per bu.....
726	Oatmeal, rolled oats, oat grits, and similar oat products.....	10c. per bu.....	8c. per bu.....
		45c. per 100 lbs.....	23c. per 100 lbs.....
		80c. per 100 lbs.....	10% min, 40c. per 100 lbs, max. 80c. per 100 lbs.....
728	Rye.....	15c. per bu.....	12c. per bu.....
728	Rye malt.....	40c. per 100 lbs.....	33c. per 100 lbs.....

¹ Not available.

¹⁷ Statistics are for cattle weighing less than 175 pounds each.

¹⁸ Includes frozen pork.

¹⁹ Dutiable at specific rate.

²⁰ Dutiable at minimum ad valorem rate.

11	1,529,122	1,525,208
(1)	3,147,416	2,582,836
17	69,557	58,385
11	476	476
19	205,206	204,062
9	4,145	4,145
41	334	334
27	19,686,061	19,678,781
(1)	20,35,044	20,29,340
25	786,753	732,769
36	44,099	7,313
51	2,857	260
16	3,608	2,704
14	1,243,170	1,191,014
17½	217,842	49,524
13	15,080	1,385
17	9,563,853	9,132,447
13	11,313,214	2,285,679
9	30,222	29,447
5	6,229	1,265
11	202	120
13	34,462	24,856
15	21,001	21,001
10	19,575	1,427
14	180,941	166,530
13	68,853	45,941

LIST OF CONCESSIONS MADE BY THE UNITED STATES IN SCHEDULE II—Continued

DUTYABLE ARTICLES—Continued

Paragraph, Tariff Act of 1930	Description of commodity	Rate of duty		Ad valorem equiva- lent of new rate per cent	Value of imports, 1937 (preliminary)		
		Tariff Act of 1930	Under 1935 agreement		Under new agreement	Total	From Canada
<i>Schedule 7—Agricultural Products—Concluded</i>							
729	Wheat, unfit for human consumption.....	10%	10% ²²	5	\$ 288,466	\$ 285,256	
730	Bran, shorts, by-product feeds.....	10%	10% ²²	5	8,338,782	6,085,961	
730	Hulls of grains, ground or unground.....	10c. per 100 lbs.	10c. per 100 lbs.....	6	57,808	57,025	
730	Dried beet pulp.....	\$5 per ton.	\$5 per ton.....	15	940,963	79,578	
730	Malt sprouts and brewers' grains.....	\$5 per ton.	\$2.50 per ton.....	8	33,305	30,024	
730	Mixed feeds.....	10%	10% ²²	5	304,424	285,800	
731	Screenings, scalplings, etc., of grains or seeds, unground or ground.....	10%	10% ²²	5	726,378	659,799	
732	Cereal breakfast foods, etc., processed, not specially provided for.....	20%	15% ²²	10	104,902	75,763	
734	Apples, green or ripe.....	25c. per bu.	15c. per bu.....	9	38,961	38,694	
736	Berries, edible, in natural condition or in brine, not specially provided for:						
	Blueberries.....	1½c. per lb.	1c. per lb.....	15	260,783	260,568	
	Strawberries.....	1½c. per lb.	1c. per lb.....	10	82,182	82,182	
	Other (except lingon, or partridge berries).....	1½c. per lb.	1c. per lb.....	14	74,818	35,588	
736	Blueberries, prepared or preserved, or frozen, not in brine and not dried, desiccated, or evaporated, not specially provided for.....	35%	2½%.....	17½	651,501	248,257	
736	Berries, edible, frozen, not specially provided for.....	35%	17½%.....	17½	14,988	5,542	
737 (1)	Cherries in their natural state, not in air-tight or water-tight containers.....	2c. per lb.	1c. per lb.....	15	38,137	848	
738	Cider.....	5c. per gal.	3c. per gal.....	8	52,500	44,813	
753	Cut flowers, fresh, dried, etc.....	40%	40% ²²	25	81,085	20,818	
763	Grass seeds and other forage crop seeds:						
	Alfalfa.....	8c. per lb.	4c. per lb.....	21	766,106	642,315	
	Alsike clover.....	8c. per lb.	4c. per lb.....	25	337,019	229,327	
	Red clover.....	8c. per lb.	4c. per lb. ²⁴	25	1,606,755	440,905	
	Sweet clover.....	4c. per lb.	2c. per lb.....	28	583,020	578,927	
	Timothy.....	2c. per lb.	1c. per lb.....	15	7,233	7,180	
	Bent-grass.....	40c. per lb.	20c. per lb.....	59	6,866	453	
	Bluegrass.....	5c. per lb.	2½c. per lb.....	19	18,233	17,488	
	Wheatgrass.....	2c. per lb.	1c. per lb.....	(1)	(1)	(1)	
	Bromegrass.....	2c. per lb.	1c. per lb.....	(1)	(1)	(1)	
	Tree and shrub seeds.....	8c. per lb.	4c. per lb.....	5	41,166	19,388	
764	Beets, other than sugar beets.....	17%	17% ²²	77	26,255	.....
766	Peas, green; Duty reduced only from July 1 to September 30.....	3½c. per lb.	2c. per lb.....	.....	.....	.....
769	White or Irish seed potatoes, certified when entered for consumption during the period:						
771	From March 1 to November 30, inclusive, in any year.....	75c. per 100 lbs.	45c. per 100 lbs.....	21	779,853	26,779,853	
	From December 1 in any year to the last day of the following February inclusive.....	75c. per 100 lbs.	60c. per 100 lbs.....	24	26,55,001	26,55,001	
	If and when the United States is no longer obligated to accord to such potatoes produced in Cuba a preferential reduction in the rate of duty greater than 20 per cent, the rate of duty during the entire year shall be 37½c. per 100 pounds.						

771

White or Irish seed potatoes, certified:
Reduced rates under old agreement applied to no more than 750,000 bushels per 12-month period beginning December 1.
Reduced rates under new agreement to apply to no more than 1,500,000 bushels annually.
Rate of 75 cents per 100 pounds, applicable to imports in excess of 1,500,000 bushels, is bound against increase.
White or Irish potatoes, other than certified seed potatoes, when entered for consumption during the period:
From March 1 to November 30, inclusive, in any year.....
From December 1 to the last day of the following February, inclusive.....

Reduced rates to apply annually to 1,000,000 bushels, and to the difference between the domestic crop and 350,000,000 bushels in years when the domestic crop falls below 350,000,000 bushels.
Rate of 75 cents per 100 pounds applicable to imports in excess of quantity restrictions, is bound against increase.

Potatoes produced in Cuba not to be included in computing quantities entitled to reduced rates.

773

Turnips and rutabagas.....

774

Carrots, in natural state.....

774

Radishes and cauliflower, in natural state.....

779

Hay.....

Straw.....

717 (a)

Schedule 7—Fishery Products

Fish, fresh or frozen, whole, or beheaded or eviscerated or both, but not further advanced (except fins may be removed):

Halibut.....

Salmon.....

Swordfish (except frozen).....

Mackerel:

Fresh.....

Frozen.....

Fresh-water fish: Chubs, freshwater mullet, jacks, lake trout, saugers, tilthrees, whitefish, and yellow pike.

Fresh-water fish (added in new agreement): Blue pike, ciscoes, lake herring, and yellow perch.

Shad.....

Eels.....

Sturgeon (except frozen).....

Cod, haddock, hake, pollock, and cusk:

Without fins removed.....

With fins removed.....

¹ Not available.

²² Bound against increase in 1936 agreement.

²³ Includes cherries in their natural state, in airtight or watertight containers, covered by 1936 agreement with Canada.

²⁴ Reduced to 5 cents per pound in the French agreement, effective June 15, 1936.

²⁵ Imported during the period from July 1 to September 30.

²⁶ Statistics include imports in excess of quota at duty of 75 cents per 100 pounds.

²⁷ Total imports of fresh and frozen sturgeon combined were valued at about \$161,000; it is estimated that \$80,000 of this includes fresh sturgeon, all from Canada.

	75c. per 100 lbs.....	75c. per 100 lbs.....	37½c. per 100 lbs.....	21	102,359	91,933
	75c. per 100 lbs.....	75c. per 100 lbs.....	60c. per 100 lbs.....	30	192,707	183,006
	25c. per 100 lbs.....	12½c. per 100 lbs.....	12½c. per 100 lbs.....	18	842,519	841,442
	50%.....	50%.....	25%.....	25	1,114	1,114
	50%.....	50%.....	25%.....	25	(1)	(1)
	\$5 per sh. ton.....	\$3 per sh. ton.....	\$2.50 per sh. ton.....	33	1,009,128	1,007,267
	\$1.50 per sh. ton.....	\$1.50 per sh. ton.....	75c. per sh. ton.....	17	69,518	69,292
	2c. per lb.....	1c. per lb.....	1c. per lb.....	10	497,489	487,579
	2c. per lb.....	1½c. per lb.....	1c. per lb.....	11	562,394	556,633
	2c. per lb.....	1½c. per lb.....	1c. per lb.....	5	273,717	273,662
	2c. per lb.....	2c. per lb.....	1c. per lb.....	23	99,067	96,002
	1c. per lb.....	½c. per lb.....	½c. per lb.....	8	3,780,380	3,780,380
	1c. per lb.....	1c. per lb.....	½c. per lb.....	8	334,136	334,136
	1c. per lb.....	1c. per lb.....	½c. per lb.....	(1)	(1)	(1)
	1c. per lb.....	½c. per lb.....	½c. per lb.....	7	61,358	61,100
	1c. per lb.....	1c. per lb.....	½c. per lb.....	3	27,80,000	27,80,000
	1c. per lb.....	1c. per lb.....	½c. per lb.....	(1)	77,064	76,099
	1c. per lb.....	1c. per lb.....	1c. per lb.....			

LIST OF CONCESSIONS MADE BY THE UNITED STATES IN SCHEDULE II—Continued

DUTABLE ARTICLES—Continued

Paragraph, Tariff Act of 1930	Description of commodity	Rate of duty		Ad valorem equiva- lent of new rate	Value of imports, 1937 (preliminary)	
		Tariff Act of 1930	Under 1935 agreement		Total	From Canada
<i>Schedule 7—Fishery Products—Concluded</i>						
717 (b)	Fish, fresh or frozen, filleted, skinned, boned, sliced, or divided into portions, not specially provided for: Cod, haddock, hake, pollock, cusk, and rosefish. Reduced duty to apply to quota of 15,000,000 pounds in any year; quota may be increased to 15 per cent of United States consumption, if consumption in the 3 preceding years averages over 100,000,000 pounds annually. Other.....	2½c. per lb.....	2½c. per lb.....	(1)	28 \$ 620,000	28 \$ 600,000
719	Fish, pickled or salted: (1) Salmon..... (2) Cod, haddock, hake, pollock, and cusk, neither skinned nor boned (except vertebral column may be removed): When containing not more than 43 per cent of moisture..... When containing more than 43 per cent of moisture..... (3) Cod, haddock, hake, pollock, and cusk, skinned or boned..... (4) Herring, beheaded and eviscerated, not further advanced (except fins may be removed), and herring known commercially as split herring, in bulk or in containers..... (4) Mackerel, whether or not boned, in bulk or containers..... (5) Alewives, in bulk or containers..... Fish, smoked or kippered: (1) Salmon..... (2) Hard dry-smoked herring, whole or beheaded, not advanced..... (3) Smoked herring, boned, whether or not skinned..... (4) Cod, haddock, hake, pollock, and cusk, whole, or beheaded or eviscerated or both, not further advanced (except vertebral column may be removed). (5) Cod, haddock, hake, pollock, and cusk, filleted, skinned, boned, sliced, or divided into portions. Cod, haddock, hake, pollock, and cusk, prepared or preserved, not specially provided for. Razor clams, canned.....	2½c. per lb..... 25%..... 2½c. per lb..... 2½c. per lb..... 1c. per lb. net wt..... 1c. per lb., net wt..... 1½c. per lb., net wt..... 25%..... 1½c. per lb..... ¾c. per lb..... 1½c. per lb..... 2½c. per lb..... 3c. per lb..... 25%..... 23%.....	2½c. per lb..... 20%..... 1½c. per lb..... ¾c. per lb..... 2c. per lb..... 1c. per lb. net wt..... 1c. per lb., net wt..... ¾c. per lb., net wt..... 25%..... ¾c. per lb..... 1½c. per lb..... 1½c. per lb..... 2c. per lb..... 3c. per lb..... 25%..... 15%.....	per cent <		

Schedule 14—Papers and Books

	Uncoated book and printing paper, not specially provided for.....	3c. per lb. +10%.....	1c. per lb. +10%.....	1c. per lb. +5%.....		715,428	513,624
1401	Pulpboard in rolls for wallboard, not processed, and not specially provided for.....	10%.....	5%.....	5%.....	14	488,893	488,893
1402	Tissue paper and all similar paper, not specially provided for, valued not over 15 cents per pound:				5		
1404	Weighing over 6 pounds and less than 10 pounds to the ream.....	6c. per lb. +20%.....	6c. per lb. +20%.....	3c. per lb. +10%.....	(1)	(1)	(1)
1409	Crape paper, valued at not more than 12½ cents per pound.....	5c. per lb. +15%.....	5c. per lb. +15%.....	2½c. per lb. +7½%.....	(1)	(1)	(1)
1410	Hanging paper, not printed, etc.....	6c. per lb. +15%.....	6c. per lb. +15%.....	3c. per lb. +7½%.....	(1)	(1)	(1)
	Tourist literature containing historical, geographic, time table, travel, hotel, and similar information:	10%.....	10%.....	7½%.....	7½	139,474	138,832
	If of bona fide foreign authorship.....	15%.....	15%.....	7½%.....	7½	(1)	(1)
	All other.....	25%.....	25%.....	12½%.....	12½	(1)	(1)
1410	Tourist literature consisting principally of drawings, engravings, etchings, etc.....	25%.....	25%.....	12½%.....	12½	(1)	(1)
1413	Pulpboard in rolls for wallboard, processed.....	\$14.50 per short ton, min. 15%, max. 30% ³⁰	15%.....	15%.....	15	3,118	3,118
Schedule 15—Sundries							
1502	Laurosse sticks.....	30%.....	15%.....	15%.....	15	4,672	4,662
1502	Ice skates and parts.....	20%.....	15%.....	15%.....	15	82,327	72,773
1519 (c)	Silver or black fox furs, not specially provided for.....	50%.....	50%.....	37½%.....	37½	1,087,854	309,822
1530 (b) (3)	Harness or saddlery leather (bovine).....	12½%.....	10%.....	10%.....	10	21,189	3,330
1530 (b) (4)	Patent leather (bovine).....	15%.....	10%.....	7½%.....	7½	50,324	50,231
1530 (e)	Leather skating boots and shoes, McKay sewed, if attached to ice skates, and not specially provided for.....	30%.....	30%.....	15%.....	15	(1)	(1)
1532 (b)	Gloves, made from leather or horsehides (except calfskins).....	25%.....	25%.....	15%.....	15	891	25
1537 (b)	Rubber hose and tubing, having at no point an inside diameter of less than three-eighths of an inch, not specially provided for.....	25%.....	25%.....	12½%.....	12½	23 11,400	23 5,500
1541 (a)	Pipe organs (church) and parts.....	35%.....	25%.....	17½%.....	17½	20,395	20,395
1541 (a)	Pipe organs (player actions (church) and parts.....	40%.....	25%.....	20%.....	20	199	.....
1541 (a)	Pipe organs and parts, not specially provided for.....	35%.....	35%.....	17½%.....	17½	.....	.....
1555	Pipe organ player actions and parts, not specially provided for.....	60%.....	60%.....	30%.....	30	.....	.....
1558	Waste, not specially provided for.....	10%.....	10%.....	7½%.....	7½	1,523,192	271,883
	Evergreen Christmas trees.....	10%.....	10%.....	5%.....	5	558,932	534,467

¹ Not available.² Estimated.³⁰ Estimated.³⁰ Rate reduced from 30 per cent ad valorem in the Swedish agreement, effective August 5, 1935.

LIST OF CONCESSIONS MADE BY THE UNITED STATES IN SCHEDULE II—Continued

ARTICLES BOUND ON THE FREE LIST IN THE AGREEMENT EFFECTIVE JANUARY 1, 1936, WHICH ARE CONTINUED BOUND IN THE NEW AGREEMENT

Paragraph, Tariff Act of 1930	Description of commodity	Value of imports, 1937 (preliminary)	
		Total	From Canada
		\$	\$
1601	Sulphuric acid or oil of vitriol.....	17,476	16,252
1604	Agricultural implements: Plows, tooth or disc harrows, headers, harvesters, reapers, combination harvesting and thrashing machines, agricultural drills and planters, mowers, horse-rakes and cultivators, whether in whole or in parts, including repair parts.....	2,660,457	2,433,289
1616	Asbestos, unmanufactured.....	10,470,208	8,315,846
1641	Calcium cyanamid or lime nitrogen.....	3,040,864	3,029,770
1652	Cobalt and cobalt ore.....	1,386,280	56,667
1667	Sodium cyanide.....	3,761,716	2,110,706
1672	Crude artificial abrasives, not specially provided for.....	5,510,883	5,229,975
1681	Undressed furs: Mink, beaver, muskrat, and wolf.....	5,474,174	2,562,412
1716	Wood pulp: Mechanically ground, unbleached or bleached ^a	4,343,168	3,324,112
	Bleached sulphite ^a	29,443,954	17,733,328
	Soda, unbleached or bleached ^a	3,636,212	535,898
1734	Nickel ore, matte, and oxide.....	3,643,632	3,643,543
1743	Plaster rock (including anhydrite) and gypsum, crude.....	854,832	707,157
1756	Sea herring and smelts, fresh or frozen.....	832,168	784,460
1760	Shingles of wood: Red cedar.....	5,567,071	5,567,071
	Imports limited to 25 per cent of United States consumption under old agreement. Under new agreement United States Government reserves right to impose duty not to exceed 25 cents per square on imports in excess of 30 per cent of United States consumption.		
	Other.....		
1761	Lobsters, fresh, frozen or canned, not specially provided for (spiny lobsters excluded in new agreement).....	235,754	235,754
1761	Clams, quahogs, fresh or frozen, not specially provided for.....	3,758,334	3,102,733
1761	Oysters, fresh or frozen (except seed oysters), not specially provided for.....	78,422	60,500
1761	Crabs, fresh or frozen, not specially provided for.....	8,274	7,225
1761	Scallops, fresh but not frozen.....	865	865
1772	Standard newspaper paper.....	198,390	195,361
1803 (2)	Pulpwood, logs, round timber, firewood, bolts, laths, etc. (excluding cabinet woods, not specially provided for ³²	122,629,421	109,595,237
1804	Posts, ties, and poles of wood.....	19,405,280	15,346,802
1805	Pickets, palings, hoops, and staves of wood.....	1,708,273	1,683,018
		384,708	345,899

¹ Not available.^a Duty-free status bound in Finnish agreement, effective November 2, 1936.³² Logs of fir, spruce, cedar, or Western hemlock, dutiable at \$1 per M feet under act of 1922.

ARTICLES BOUND ON THE FREE LIST, NOT PREVIOUSLY BOUND TO CANADA

Paragraph, Tariff Act of 1930	Description of commodity	Value of imports, 1937 (preliminary)	
		Total	From Canada
1604	Agricultural implements:		\$
1606 (a) and (b).	Thrashing machines, wagons and carts, cream separators valued at not more than \$50 each, and all other agricultural implements (except tractors), not specially provided for, and parts.....	\$1,959,141	\$1,059,143
1651.	Bulls, cows, hogs, and sheep, imported for breeding purposes.....	1,291,445	1,129,336
1669	Coal-tar products, not specially provided for.....	609,183	543,175
1681	All drugs of animal origin, including fish livers, crude, not specially provided for.....	653,095	291,950
1688	Undressed furs: Skunk, otter, lynx, and fisher.....	33 1,486,925	33 774,265
1716	Cattle-body and horse-body hair, unmanufactured, not specially provided for.....	803,824	199,948
	Wooded pulp:		
	Sulphite, unbleached ²¹	34,663,053	5,330,953
1719	Sulphate, unbleached and bleached ²¹	29,284,226	6,108,232
	Minerals, crude, not specially provided for:		
	Lignite.....	10,018	10,018
	Natural gas.....	12,267	12,267
	Gravel.....	36,193	36,152
	Nepheline syenite.....	(¹)	(¹)
	In event imports of crude and ground nepheline syenite together exceed 50,000 tons per annum, the two Governments shall consult regarding action to be taken. If consultation results in no agreement, the United States Government shall be free to impose a duty.		
1749	Radium and radium salts.....	377,659	35,510
1758	Selenium and selenium salts.....	161,382	161,384
1773	Stone and sand, burrstone in blocks, rough or unmanufactured; quartzite; traprock; rottenstone; tripoli, and sand, crude or manufactured; silica; cliff stone; freestone, granite, and sandstone, unmanufactured, and not suitable for use as monumental, paving, or building stone, all the foregoing, not specially provided for.....	419,408	360,003

¹ Not available.²¹ Does not include fisher.³¹ Duty-free status bound in Swedish agreement, effective August 5, 1935.

UNITED KINGDOM-UNITED STATES TRADE AGREEMENT

The United Kingdom, acting also on behalf of Newfoundland and the non-self-governing British colonies, has concluded a trade agreement with the United States, which was signed on Thursday, November 17, 1938, the same day on which the Canada-United States Trade Agreement was signed.

CHANGES IN BOUND MARGINS OF PREFERENCE IN THE UNITED KINGDOM AND THE COLONIES

In order to facilitate the conclusion of the United Kingdom-United States Agreement, the Governments of Canada, Australia, New Zealand, South Africa, India, and Newfoundland concurred in the modification of margins of preference guaranteed to them on various products in agreements with the United Kingdom. Canada, for example, agreed to a revision of the bound margins of preference guaranteed to her by the United Kingdom on wheat, raw apples, raw pears, apples preserved in syrup, honey, timber, chilled or frozen salmon, and patent leather, under Schedule III of the Canada-United Kingdom Trade Agreement of 1937, and by a number of British colonies on various products, the most important being automobiles and lumber, under Schedule VI of the Canada-United Kingdom Trade Agreement of 1937.

Similarly, in order to facilitate the conclusion of the new Canada-United States Trade Agreement, the Governments of the United Kingdom and the Union of South Africa agreed to the modification of certain margins of preference which were guaranteed to them under trade agreements with Canada.

LUMBER

A word of explanation is desirable in connection with the changes in the United Kingdom tariff on lumber to which Canada has agreed. The tariff treatment to be applicable to United States lumber imported into the United Kingdom will give those kinds of lumber, of which the United States is an important supplier of United Kingdom requirements, treatment as favourable as that granted to Canadian lumber on importation into the United States.

The concessions to the United States are in two stages—immediate and ultimate. The concessions in the immediate stage are to take effect with the coming into force of the United Kingdom-United States Trade Agreement on January 1, 1939. The concessions in the ultimate stages will only be operative when, and for so long as, the import excise tax of \$1.50 per thousand feet board measure ceases to apply to Canadian lumber imported into the United States. In both stages the concessions have been confined to lumber the landed value of which in the United Kingdom is in excess of specified values, and to lumber in excess of given widths or lengths with the object of conferring definite benefits on United States lumber (for which benefits to Canadian lumber in the United States market have been received under the new Canada-United States Trade Agreement) without increasing unduly the competition which the Canadian industry experiences from other foreign countries supplying lumber in substantial quantities to the United Kingdom market.

The immediate stage provides for a reduction in the United Kingdom duty from 10 per cent ad valorem to 16s. per standard (equivalent to \$2 per

thousand board feet) on (a) lumber 11 inches or more in width, and (b) lumber less than 11 inches in width when valued at £18 or more per standard. On lumber less than 11 inches in width and valued at between £17 and £18 per standard, a sliding scale of duties is provided whereby the duty is reduced by graduated steps from the rate of 10 per cent ad valorem to a specific duty of 16s. per standard, which has an ad valorem incidence of about $4\frac{1}{2}$ per cent. The purpose of this sliding scale is to safeguard the revenue from over-valuation of shipments in order to qualify for the lower rate of duty.

In the ultimate stage (a) lumber 9 inches or more in width and 15 feet or more in length, and (b) lumber valued at £18 or more per standard will be free of duty. Lumber of smaller dimensions valued at between £16 4s. and £18 per standard is subject to a sliding scale of graduated reductions in duty for the protection of the revenue similar to that described above.

A further provision of the United Kingdom tariff on lumber applicable to both the immediate and the ultimate stages will automatically raise or lower the value brackets mentioned above as lumber prices increase or decrease. Accordingly, the competitive position of Canadian and United States lumber as against other lumber in the United Kingdom market should remain substantially undisturbed by price fluctuations.

As mentioned above, and as explained fully in the Lumber Declaration appended to the new Canada-United States Trade Agreement, the new United Kingdom lumber duties will bring about parity of tariff treatment as between Canadian lumber imported into the United States and those classes of lumber imported into the United Kingdom of which the United States is an important supplier. The Lumber Declaration envisages the gradual extension of this principle to lumber tariffs throughout the Empire, if and when the United States concludes trade agreements with other Empire countries.

DAIRY PRODUCTS

In an exchange of letters attached to the Canada-United States Trade Agreement, the United Kingdom waives until August 20, 1940, its rights under Schedule I of the Canada-United Kingdom Trade Agreement of 1937 to impose a duty on Canadian eggs, poultry, butter, cheese and other milk products, and agrees that no quantitative restrictions will be imposed on the importation of such Canadian products into the United Kingdom unless imports should be such as to lead to instability in the market for those products in the United Kingdom.

CHANGES IN OTHER MARGINS OF PREFERENCE

The United Kingdom-United States Trade Agreement provides for reductions in United Kingdom duties, for the most part moderate in extent, on a wide range of manufactured articles imported from the United States, on practically all of which Canada has no bound margin of preference. In the lines of manufactured goods which Canadian exporters send to the United Kingdom, they will continue to receive a preferential advantage over their United States competitors, which in almost every case equals the protection which United Kingdom manufacturers of such goods receive against foreign competition. A statement of former and new margins of preference to Canadian goods in the United Kingdom market is given below. This statement covers all changes in bound margins, and a selection of what are considered to be the most important of the other changes.

Similarly, the agreement provides for reductions in unbound colonial margins of preference. A statement of former and new bound margins of preference in the Colonial Empire is given below. The changes in other margins of colonial preference are too numerous and in many cases too unimportant to be listed in a brief summary of the agreement.

FUTURE STATUS OF IMPERIAL PREFERENCES

The exchange of letters between Canada and the United Kingdom regarding the requisite modifications of their trade agreement of 1937 makes it clear that each country retains its right to preferential treatment in the markets of the other. Furthermore, the agreed modification of Canadian margins in the United Kingdom and colonies is for the term of the new United Kingdom-United States Agreement, and the modification of United Kingdom margins in Canada is for the term of the Canada-United States Agreement. In the event of either agreement with the United States being terminated, the full guaranteed margins of preference modified to permit of the conclusion of that agreement will be automatically restored.

UNITED STATES CONCESSIONS TO UNITED KINGDOM OF BENEFIT TO CANADA

The United States has granted tariff concessions to the United Kingdom on an extensive list of products of which the United Kingdom, Newfoundland, and the Colonial Empire are the chief source of United States imports. These concessions affect, in all, 523 items and sub-items of the United States Tariff Act of 1930 and consist of 418 reductions in duty, 46 bindings of present rates of duty, and 59 bindings of free entry. Under the terms of Article I of the Canada-United States Trade Agreement these concessions will automatically be extended to Canadian products. Thus, through the operation of the most-favoured-nation clause, Canada will gain from the United States, indirectly, tariff concessions which could not have been gained directly because Canada, while often an important one, is not the principal source of United States imports of the products affected. A statement is given below of the concessions granted to the United Kingdom by the United States which, it is thought, will be of most interest to Canadian exporters.

BENEFITS TO CANADA IN NEWFOUNDLAND

Newfoundland has never extended preferential treatment to Canadian goods which, like United States goods, have been dutiable at the general rates. Under the United Kingdom-United States Agreement, Newfoundland grants a number of concessions to the United States. These take the form of (a) reductions in the margin of preference extended to United Kingdom products; (b) reductions in the duty on United States products; (c) bindings of the present margin of preference to United Kingdom goods; or (d) bindings of the present duty on United States products. Canadian exporters of the products affected will benefit directly from these concessions, the most important of which are listed in a statement given below.

This article merely covers the most important features of the United Kingdom-United States Trade Agreement. Full details of the tariff changes affecting individual products will be given to interested firms on request by the Foreign Tariffs Division, Department of Trade and Commerce.

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Changes in Canada-United Kingdom Trade Agreement Margins

(One cwt. equals 112 pounds; one quarter equals 480 pounds; one standard equals 165 cubic feet or 1,980 feet board measure)

On the articles in the following group, Canadian products are guaranteed duty-free entry under the Canada-United Kingdom Trade Agreement of 1937 (except as regards sugar content in apples in syrup) and are also guaranteed the margins of preference over non-Empire products represented by the present rate to the United States. From January 1, 1939, the Canada-United Kingdom agreement will therefore be amended to the extent of reducing the margins of preference to the level shown in the last column.

	Rate to Canada	Rate to United States	
		Present	New
Wheat, in grain.....	Free	2s. per quarter of 480 lbs. (6 cts. per bus.)	Free
Apples, raw (excluding apples consigned direct to a registered cider manufacturer for use in making cider).....	Free	4s. 6d. per cwt.	3s. per cwt. Aug. 16 to Apr. 15, incl. (unchanged remainder of year).
Pears, raw.....	Free	4s. 6d. per cwt.	3s. per cwt. Aug. 1 to Jan. 31, incl. (unchanged remainder of year).
Apples preserved in syrup.....	Sugar Duty on added sugar content.	3s. 6d. per cwt. plus Sugar Duty on added sugar content.	2s. 3d. per cwt. plus Sugar Duty on added sugar content.
Honey.....	Free	7s. per cwt.	5s. per cwt.
Chilled or frozen salmon.....	Free	1½d. per lb.	¾d. per lb.
Patent leather, not shaped.....	Free	15% <i>ad val.</i>	7½% <i>ad val.</i> *
Wood and timber of coniferous species, other than box-boards, railway sleepers and sleeper blocks, square sawn but not further prepared or manufactured, 11 in. or more in width throughout its length.....	Free	10% <i>ad val.</i>	16s. per standard
Same, less than 11 in. in width throughout its length, valued at £18 or more per standard....	Free	10% <i>ad val.</i>	16s. per standard
Same, less than 11 in. in width throughout its length, valued at £17 or more per standard but less than £18 per standard.....	Free	10% <i>ad val.</i>	10% <i>ad val.</i> less 1% <i>ad val.</i> for each 4s. by which value exceeds £16.16s. per standard.
Wood and timber of coniferous species in logs neither end of which is less than 14 in. in mean diameter.....	Free	10% <i>ad val.</i>	16s. per standard

PROVIDED that if the Government of the United States notifies the Government of the United Kingdom that the tax imposed on the importation of lumber into the United States under Section 601 (c) (6) of the Revenue Act of 1932, as amended, has been removed; then, for so long as imports into the United States of lumber and timber described in Paragraph 401 of the Tariff Act of 1930 and originating in Canada are exempt from ordinary customs duties and charges in excess of 50 cents per thousand board feet, imports into the United Kingdom of wood and timber of coniferous species originating in the United States of America shall be accorded customs treatment as follows instead of that provided for above:—

Wood and timber of coniferous species, other than box-boards, railway sleepers and sleeper blocks, square sawn but not further prepared or manufactured, 9 in. or more in width throughout its length and 15 ft. or more in length.....	Free	10% <i>ad val.</i>	Free
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*Special legislation is required to bring this rate into effect, which the United Kingdom undertakes to do not later than August 1, 1939.

	Rate to Canada	Rate to United States	
		Present	New
Same, less than 9 in. in width throughout its length or less than 15 ft. in length, valued at £18 or more per standard.....	Free	10% <i>ad val.</i>	Free
Same, less than 9 in. in width throughout its length or less than 15 ft. in length, valued at £16 4s. or more but less than £18 per standard.....	Free	10% <i>ad val.</i>	10% <i>ad val.</i> less 1% <i>ad val.</i> for each 4s. by which value exceeds £16 per standard.
Wood and timber of coniferous species in logs neither end of which is less than 12 in. in mean diameter and which are 15 ft. or more in length..	Free	10% <i>ad val.</i>	Free

PROVIDED further that, whenever for a period of any four consecutive months the average value of the imports into the United Kingdom from all countries of sawn softwoods (exclusive of planed or dressed soft woods), as now shown in the monthly Trade Returns of the United Kingdom under that heading, either exceeds £14 per standard or is less than £10 per standard; then, after consultation with the Government of the United States each of the value limitations set forth in all of the above concessions relating to wood and timber of coniferous species may be increased in the one case by £1 per standard for each complete pound sterling by which such average value exceeds £13 per standard or may be decreased in the other case by £1 per standard for each complete pound sterling by which such average value is less than £11 per standard; but the value limitations set forth in the above concessions shall be restored as soon as possible after the conditions which gave rise to these modifications no longer exist.

Motor Cars, Silk Stockings, Reed Organs

On the following goods which are included in both the Canada-United Kingdom Trade Agreement, 1937, and the new United States-United Kingdom Agreement, the rate to Canada is bound against increase but as no margin of preference is guaranteed, the United Kingdom is free to alter the rate to non-Empire countries to any level. In the case of silk socks and stockings, the legislation authorizing the silk duties provides for a one-sixth reduction on Empire products so that after January 1, 1939, the duty on Canadian silk socks and stockings will not in any case be more than 8s. 4d. per dozen pairs.

	Rate to Canada	Rate to United States	
		Present	New
Motor cars and chassis for motor cars (complete with engines) of 25 horse power and upwards, calculated in accordance with the Road Vehicles (Registration and Licensing) Regulations, 1924.....	22 $\frac{3}{8}$ % <i>ad val.</i>	33 $\frac{1}{3}$ % <i>ad val.</i>	33 $\frac{1}{3}$ % <i>ad val.</i> bound against increase.
Stockings and socks made wholly of silk, or containing silk components the value whereof exceeds 20% of the aggregate of the values of all the components thereof.....	8s. per lb. or, if higher, 28 $\frac{3}{8}$ % <i>ad val.</i>	12s. per lb. or, if higher, 43 $\frac{1}{3}$ % <i>ad val.</i>	12s. per lb. or, if higher, 43 $\frac{1}{3}$ % <i>ad val.</i> but in no case to exceed 10s. per doz. pairs.
Complete reed organs, not including organs with electrical amplification.....	Free	33 $\frac{1}{3}$ % <i>ad val.</i>	25% <i>ad val.</i>

Other Reductions in United Kingdom Rates to United States

Where goods in the following table are shown as free in the column "Rate to Canada," duty-free entry is guaranteed by the Canada-United Kingdom Trade Agreement of 1937. The United Kingdom is not bound by that agreement, however, as regards rates against non-Empire countries.

	Rate to Canada	Rate to United States	
		Present	New
Oatmeal (including all cuts of oatmeal, oat groats, oat flour and feeding oatmeal or ground oats; but not including oat husks, oat dust or oat husk meal); rolled oats and flaked oats.....	Free	7s. 6d. per cwt.	5s. per cwt.
Fruit preserved by chemicals or artificial heat and fruit (other than fresh fruit) preserved by artificial cold; but not including fruit preserved in sugar: Dried apples, dried pears, dried peaches and dried nectarines.....	Free	10s. 6d. per cwt.	7s. per cwt. or, if higher, 10% <i>ad val.</i>
Fruit preserved by chemicals or artificial heat and fruit (other than fresh fruit) preserved by artificial cold; but not including fruit preserved in sugar: Apples, other than dried apples.....	Free	25% <i>ad val.</i> ; in pulp, 4s. 6d. per cwt.	3s. 6d. per cwt.
Cherries, stoned, preserved in syrup, with or without added flavouring matter.....	Free except for sugar duty on added sugar content	25% <i>ap val.</i> plus sugar duty	15% <i>ad val.</i> plus sugar duty
Loganberries preserved in syrup.....	Free except for sugar duty on added sugar content	15% <i>ad val.</i> plus sugar duty	4s. per cwt. plus sugar duty
Lard.....	Free	10% <i>ad val.</i>	Free
Vegetables of the following descriptions preserved in air-tight containers, but not including vegetables and pickles preserved in vinegar: Asparagus; maize, including maize on cob (sweet corn).....	Free	20% <i>ad val.</i>	10% <i>ad val.</i>
Iron and steel bolts, whether threaded or not, bolt ends, set screws and screw studs, and other screws for metal, and nuts, whether tapped or not (including washers assembled with any of those articles).....	Free	6s. to 18s. 8d. per cwt. depending on diameter, or, if higher, 20% <i>ad val.</i>	15% <i>ad val.</i>
Saws (other than power-driven and surgical saws) of a value of 3s. 9d. or more each.....	Free	20% <i>ad val.</i>	15% <i>ad val.</i> or, if higher, 9d. each.
Agricultural tractors being track-laying tractors, of a type suitable for hauling or pushing implements, with or without separate power take-off, but not including machines specially adapted for other purposes, in which the track is ancillary....	Free	33½% <i>ad val.</i>	25% <i>ad val.</i>
Typewriters, with or without cases (not including electric typewriters, accounting, adding, listing, bookkeeping or billing machines or typewriters incorporated therein), of a weight exceeding 22 pounds and of a value exceeding £6 per machine..	Free	£4.10s. each	£3.10s. each
Machinery belting of leather over ¼ inch thick and not more than 24 inches wide, of a value not less than £30 per cwt.....	Free	15% <i>ad val.</i>	10% <i>ad val.</i>
Machinery belting of rubber (including balata and gutta percha) and canvas, of a value not less than £12.10s. per cwt.....	Free	15% <i>ad val.</i>	10% <i>ad val.</i>
Hardwood flooring blocks or strips, planed and tongued and grooved or planed and otherwise manufactured.....	Free	20% <i>ad val.</i>	17½% <i>ad val.</i>

	Rate to Canada	Rate to United States	
		Present	New
Hardwood parquet flooring in sections composed of blocks or strips glued or otherwise joined together.....	Free	20% <i>ad val.</i>	17½% <i>ad val.</i>
Doors of wood of a height and width not less than 6 feet and 2 feet, respectively.....	Free	2s. 6d. each or, if higher, 20% <i>ad val.</i>	1s. 6d. each, or, if higher, 20% <i>ad val.</i>
Women's and girls' footwear, the following: Boots, bootees, shoes, overshoes, slippers and sandals of all descriptions, of a value exceeding 10s. a pair (but not including articles made wholly or partly of rubber, balata or gutta percha, except where the outer part of the uppers, apart from stitchings, fastenings, or ornaments, is made entirely of leather or leather and elastic)..... [If containing silk on artificial silk, Silk Duties would be applicable].	Free	20% <i>ad val.</i>	2s. per pair or, if higher, 15% <i>ad val.</i>
Shaving soap and cream and brushless shaving cream..... [The rates shown are exclusive of duties in respect of any spirit content].	Free	30% <i>ad val.</i>	15% <i>ad val.</i>
Scrap or waste of chrome tanned calf, kip or hide leather, being leather of a kind not used in the uppers of boots and shoes.....	Free	30% <i>ad val.</i>	15% <i>ad val.</i>
Women's handbags and pochettes, whether fitted or not, made wholly or partly of leather or material resembling leather, without key locks, of which neither the length nor the width, exclusive of the handle, exceeds 12 inches, and of a value exceeding 4s. each..... [If containing silk or artificial silk, Silk Duties would be applicable.]	Free	25% <i>ad val.</i>	1s. each or, if higher, 20% <i>ad val.</i>
Paper manufactures, the following: Vulcanized fibre in reels, coils, sheets, strips, rods or tubes, not further manufactured; face and hand towels, made wholly of paper, of a weight when fully extended equivalent to not less than 10 pounds to the ream of 480 sheets of double crown measuring 20 inches by 30 inches; serviettes and handkerchiefs, not printed, of a superficial area not exceeding 400 sq. inches, made wholly of paper, of a weight when fully extended equivalent to not less than 7 pounds to the ream of 480 sheets of double crown measuring 20 inches by 30 inches	Free	20% <i>ad val.</i>	16½% <i>ad val.</i>
Tubing and piping (not including, when imported as such, articles comprised in the two items on page 920), manufactured partly of rubber (including compounded rubber, vulcanite, and ebonite), balata or gutta percha, with or without nozzles or other fittings attached thereto.....	Free	1½d. per lb. or, if higher, 20% <i>ad val.</i>	1½d. per lb. or, if higher, 15% <i>ad val.</i>
Material consisting of rubber sheeting with a textile backing, not made up.....	Free	8d. per lb. or, if higher, 20% <i>ad val.</i>	20% <i>ad val.</i>
Oil baize, and other oilcloth (including oilskin) and leather cloth, not made up, being fabrics with a cotton base, but excluding fabrics consisting only of cotton and rubber.....	Free	2½d. per lb. or, if higher, 20% <i>ad val.</i>	2d. per lb. or, if higher, 15% <i>ad val.</i>
Complete pipe organs, not including organs with electrical amplification.....	Two-thirds of Full Rate	33⅓% <i>ad val.</i>	25% <i>ad val.</i>
Gramophones with electrical amplification, including radio gramophones.....	Two-thirds of Full Rate	33⅓% <i>ad val.</i>	25% <i>ad val.</i>
Gramophone records for reproducing music.....	Two-thirds of Full Rate	33⅓% <i>ad val.</i>	25% <i>ad val.</i>

	Rate to Canada	Rate to United States	
		Present	New
Toilet preparations of the following descriptions (excluding bath salts and essences, prepared fullers earth and soap): Tooth paste or powder and liquid preparations for dental purposes and mouth washes; toilet paste or powder; toilet cream; lipstick, rouge and grease paint; hair dyes; preparations for use in manicure or chiropody; other preparations for use on the hair, face, or body.....	Free	30% <i>ad val.</i>	20% <i>ad val.</i>
[The rates shown are inclusive of duties in respect of any spirit content.]			
Printers' ink.....	Free	20% <i>ad val.</i>	17½% <i>ad val.</i>
Appliances, apparatus, accessories and requisites for sports, games, gymnastics or athletics, the following: Coin or disc operated machines and parts thereof; golf clubs, of a value exceeding 12s. 6d. each; golf club shafts, of a value exceeding 4s. 6d. each; golf tees of wood; golf club bags; oars and paddles for rowing boats and canoes....	Free	25% <i>ad val.</i>	20% <i>ad val.</i>
Appliances, apparatus, accessories and requisites for sports, games, gymnastics or athletics, the following: Fishing tackle, <i>i.e.</i> , rods wholly or mainly of iron or steel, and reels of a value of not less than 8s. each.....	Free	25% <i>ad val.</i>	15% <i>ad val.</i>
Stationery, the following: Drawing ink.....	Free	20% <i>ad val.</i>	17½% <i>ad val.</i>
Stationery, the following: Paper clips wholly of wire, of a value exceeding 4½d. per pound.....	Free	33½% <i>ad val.</i>	1½d. per lb. or, if higher, 20% <i>ad val.</i>

United Kingdom Rates Reduced from 20 per Cent to 15 per Cent

On the following goods (which under the Canada-United Kingdom Trade Agreement of 1937 are guaranteed duty-free entry when shown to be Canadian products, the margin of preference not being stipulated) the rate to the United States has been reduced from 20 per cent *ad valorem* to 15 per cent:—

Furniture made wholly or mainly of metal (including aseptic hospital furniture), the following: tables; stands, desks, and counters; chairs (other than pedestal chairs with reclining movement), stools, and seats; bookcases and bookshelves; cash and deed boxes; drawers and cupboards; shelving; storage bins and storage racks; office letter racks and letter trays; lockers.

Safes and cabinets, including filing cabinets, made wholly or mainly of metal.

Tools, the following: files and rasps, of which the serrated part exceeds 6 inches in length, but not including nail files; wrenches and spanners, excluding chain pipe wrenches and adjustable pipe wrenches having one fixed jaw, one movable jaw, and one or more springs, but including other pipe wrenches and tap wrenches; braces, not including breast drills and hand drills; vises of all kinds; screw plates; threading dies and taps; pipe cutters; non-portable lifting jacks; tire levers and other appliances for fitting tires.

Accumulators (electric storage batteries). (This item apparently excludes automobile batteries.)

Electrical cooking apparatus (including industrial electrical cooking apparatus) and heating elements therefor.

Electrical heating apparatus (including industrial electrical heating apparatus) and heating elements therefor.

Electrically operated machines of the types used for domestic and household purposes, the following: food mixers; dish washers; drink mixers; and fruit juice extractors.

Electrically operated machines, the following: hair clippers; dry shavers.

Electrically operated refrigerators, having a storage capacity not exceeding 12 cubic feet, and complete mechanical units for such refrigerators.

Vacuum cleaners, electrically operated.

Dry cleaning and laundering machines (other than hand-operated machines of the types used for domestic purposes), the following: cleaners and washers; driers; wringers; ironing machines; and any combination thereof. (Electric household washing machines are included in this item.)

Cash registers with or without one or more cash drawers, with or without accumulating registers (totalizers) and with or without tape recording, printing, and ticket-issuing devices.

Automatic multi-head glass bottle-making machines.

Automatic multi-head machines of the types used for (a) making glass stems for electric lamps or (b) exhausting electric lamps and valves.

Office machinery of the following kinds, other than machines operated in conjunction with punched cards: accounting machines; calculating machines; adding machines; listing machines; bookkeeping machines; billing machines; posting machines; and any combination thereof, including typewriters incorporated in these machines.

Other office machinery of the following kinds: addressing machines; letter-opening machines; letter-sealing machines; machines, other than typewriters of a type specially adapted for the mechanical writing of cheques; stamp-affixing machines; machines of the types used for the automatic production of typewritten correspondence, with or without motors, but not including typewriters used in connection therewith; coin sorting, counting, and wrapping machines; perforating machines; postage franking machines.

Packing and labelling machines, the following: cappers, sealers (excluding carton-sealing machines), and closers.

Typesetting machines.

Rotary newspaper printing machines, that is to say, rotary printing machines designed for the printing of newspapers and the like from reels of paper, and equipped with cutting and folding mechanism.

Pumps of the types used for the delivery of petrol and oil at garages and filling stations.

Air-conditioning machines, self-contained, comprising elements for cooling, control of humidity, cleaning and circulating of air.

Sewing machine heads, being, in the case of hand sewing machines, machines without stands or separable cabinet work and, in the case of treadle or power-operated machines, machines without stands or separable cabinet work and without equipment for providing motive power.

Textile machinery of the following kinds: warp-tying machines; warp-drawing machines.

Tool handles of wood other than fork, shovel, and spade handles of the box or "D" type, whether riveted or not, and agricultural tool handles.

Oil varnishes containing one or more of each of the following ingredients, viz: resins, drying oils, thinners and driers, but not including cellulose ester varnishes and preparations containing pigments. (If containing spirits, spirit duty would be applicable.)

Soft soap; hard soap other than abrasive soap and toilet soap.

Paper dress patterns, including paper envelopes in which they are enclosed.

Felt base floor covering, being floor covering of which the base is bitumenized paper or other bitumenized felted material.

Stationery, the following: paste and mucilage in small containers; rubber bands; rubber erasers, of a value exceeding 1s. 8d. per pound.

Bindings of Existing United Kingdom Rates

Among the goods on which the existing rate of duty on the United States product is bound against increase are: maize, other than flat white; maize starch; linseed cake and linseed meal; fish meal, other than herring; crushed oyster shells; hams, not in airtight containers; chilled or frozen pork; sausage casings, wholly of animal origin; apricots, peaches, and pears, preserved in syrup; canned salmon; oleomargarine, oleo oil, and refined tallow, not including premier jus; canned beans, not in pod; canned tomato juice; hardwood, not further prepared than square sawn; most fur skins, raw, dried, salted or pickled, but not further treated; certain medical and surgical appliances and dental instruments and appliances; agricultural tractors, other than tracklaying; air and gas compressors and exhausters; injectors for boilers; milking machines and other dairy machinery, except cream separators; certain packing and labelling machines; papermaking and boardmaking machines; portable electric or pneumatic tools; marine outboard motors; automatic cardboard box and carton forming and lining machines; agricultural tool handles; plywood, faced with softwood; oak staves, cask heads, and certain other specified manufactures of wood; certain dressed and undressed leather; rubber sheets or sheeting; tubing or piping wholly of rubber, not over 2s. per pound; tubing and piping wholly or partly of rubber, reinforced or armoured throughout its length with metal wire or strip; certain animal hair; corsets and brassieres.

Meats

The agreement, in addition to guaranteeing continued free entry into the United Kingdom of United States hams not in airtight containers, provides that the quantity of United States hams permitted to be imported shall be the subject of consultation from time to time between the two governments. The quantity shall not be less than 500,000 cwts. a year nor more than the quantity which could, in the opinion of the United Kingdom government, be accommodated on the United Kingdom market without causing instability in the prices of hams and/or bacon. The provisions in respect of both the duty and the quota treatment of hams will after three years be subject to revision. The Canada-United Kingdom Agreement of 1937 provides for duty-free entry of Canadian hams and an annual quota of 2,500,000 cwts. of bacon and hams.

As regards edible veal offals not in airtight containers, and chilled or frozen pork, the United Kingdom reserves the right to regulate quantitatively her imports of these meats from the United States.

Tobacco

The agreement gives the United States assurance against increase in the margin of preference in favour of Empire tobacco, which is stabilized at 2s. 0½d. per pound until August, 1942, and provides for investigation of position before fixing margins after that date.

II

Changes in Colonial Preference Margins

Changes in Margins of Preferences in Colonial Empire which had been accorded in consequence of Article 15 and Schedule VI of Canada-United Kingdom Trade Agreement of February 23, 1937:—

	Former Margin	New Margin
<i>Ceylon</i> —		
Motor cars, motor lorries, vans, omnibuses and tractors, including parts except magnetos and splash proof accumulators.....	7½%	7½%
<i>Hongkong</i> —		
Motor cars.....	20%	15%
<i>British Malaya (All Territories)</i> —		
Motor cars.....	20%	15%
<i>British Malaya (excluding Straits Settlements and Kedah)</i> —		
Canned salmon, red, sockeye or blueback and silver.....	15%	7½%
<i>Malta</i> —		
Motor cars valued at over £100; chassis of automobiles imported without bodies for industrial purposes (exclusive of parts); parts and accessories for motor cars.....	20%	15%
<i>The Bahamas</i> —		
Paints.....	10%	6⅓%
Canned vegetables.....	10%	6⅓%
Oil, lubricating.....	6d. gal.	4d. gal.
Grease, lubricating.....	10%	6⅓%
Fresh fruit (except apples and tropical fruits).....	10%	6⅓%
Dried fruit.....	10%	6⅓%
Jams, jellies and preserved fruit.....	10%	6⅓%
Soap, common, washing.....	½d. per lb.	⅓d. per lb.
Stationery.....	10%	6⅓%
Toilet preparations, including toilet soaps.....	10%	6⅓%
Shingles.....	3d. per 1,000 linear inches	2d. per 1,000 linear inches
Motor cars and trucks; parts for motor cars and trucks (except tires)...	20%	15%
Self-contained air conditioning machines comprising elements for cooling, control of humidity, cleaning and circulating of air.....	10%	5%

	Former Margin	New Margin
<i>Barbados—</i>		
Electrical apparatus and appliances.....	15%	10%
Motor cars, trucks, and vans and parts thereof (except tires).....	20%	15%
Lumber.....	10s. per 1,000 feet	\$2 per 1,000 feet
<i>Bermuda—</i>		
Hardware.....	10%	7½%
Electrical supplies.....	15%	10%
Eggs.....	2d. per dozen	1½d. per dozen
Radios and accessories.....	15%	10%
Bacon and hams.....	½d. per lb.	2½%
<i>British Guiana—</i>		
Lumber.....	10s. per 1,000 feet	\$2 per 1,000 feet
<i>British Honduras—</i>		
Motor cars and parts thereof.....	20%	15%
<i>Jamaica—</i>		
Lumber.....	10%	\$2 per 1,000 feet
<i>Antigua—</i>		
Lumber.....	10s. per 1,000 feet	\$2 per 1,000 feet
<i>Trinidad and Tobago—</i>		
Telegraph and telephone apparatus; Wireless goods and apparatus...	15%	10%
Lumber.....	10s. per 1,000 feet	\$2 per 1,000 feet
<i>Fiji—</i>		
Motor cars and parts thereof.....	20%	15%

It is to be noted that the items covering motor car parts do not in the case of any of the colonies include motor car tires imported separately.

III

United States Concessions to United Kingdom Applicable to Canada

Some of the reductions in United States tariff of interest to Canada, provided for in Article XII and Schedule IV of the United States-United Kingdom Trade Agreement are as follows:—

Par. No.	—	Present Rate	Rate under New Agreement
13	Blackening, polishes, etc., not containing alcohol, not specially provided.....	25% <i>ad val.</i>	12½% <i>ad val.</i>
31 (a) (1)	Cellulose acetate, not made into finished or partly finished articles.....	50 cts. per lb.	25 cts. per lb.
31 (b) (2)	Articles, not specially provided for, made in chief value from transparent sheets, bands, or strips not exceeding 3/1000 inch in thickness, of compounds of cellulose (except cellulose acetate).....	60% <i>ad val.</i>	50% <i>ad val.</i>
39	Flavouring extracts, etc., not containing alcohol.....	25% <i>ad val.</i>	15% <i>ad val.</i>
52	Wool grease containing more than 2% of free fatty acids.....	1 ct. lb. plus 3 cts. lb. Excise	½ ct. lb. plus 3 cts. lb. Excise
66	Enamel paint, not specially provided for....	25% <i>ad val.</i>	15% <i>ad val.</i>
73	Synthetic iron-oxide and iron hydroxide pigments.....	20% <i>ad val.</i>	15% <i>ad val.</i>
75	Varnishes, not specially provided for.....	25% <i>ad val.</i>	15% <i>ad val.</i>
207	Fluorspar, containing more than 97% calcium fluoride.....	\$5.60 per ton	\$4.20 per ton
213	Graphite or plumbago; crude or refined:—		
	Crystalline lump, chip and dust.....	30% <i>ad val.</i>	15% <i>ad val.</i>
	Amorphous.....	10% <i>ad val.</i>	5% <i>ad val.</i>

Par. No.		Present Rate	Rate under New Agreement
216	Brushes for electric motors, generators, or other electrical machines or appliances...	45% <i>ad val.</i>	25% <i>ad val.</i>
231	Smalts, frostings, and all ceramic and glass colors, fluxes, glazes, and enamels, ground or pulverized.....	30% <i>ad val.</i>	15% <i>ad val.</i>
301	Pig iron containing not more than 4/100 of 1% of phosphorous.....	\$1.125 per ton	75 cts. per ton
312	Sashes and frames of iron and steel.....	25% <i>ad val.</i>	15% <i>ad val.</i>
316 (a)	Wire rope.....	35% <i>ad val.</i>	2½ cts. lb. but not less than 17½% nor more than 35% <i>ad val.</i>
339	Silver-plated table, household, kitchen, and hospital utensils, and hollow or flat ware not specially provided for.....	50% <i>ad val.</i>	35% <i>ad val.</i>
351	Pens, not specially provided for:— Of plain or carbon steel..... Wholly or in part of other metal (except gold).....	15 cts. per gross 18 cts. per gross 35% <i>ad val.</i>	12 cts. per gross 14 cts. per gross 25% <i>ad val.</i>
353	Radio and wireless apparatus and parts.....	35% <i>ad val.</i>	25% <i>ad val.</i>
353	Electric generators, not elsewhere specified, and parts.....	35% <i>ad val.</i>	25% <i>ad val.</i>
353	Electric transformers and parts.....	35% <i>ad val.</i>	25% <i>ad val.</i>
353	Electric converters, double current and motor generators, dynamotors, and other converting apparatus, and parts.....	35% <i>ad val.</i>	25% <i>ad val.</i>
353	Electric motors.....	35% <i>ad val.</i>	25% <i>ad val.</i>
371	Bicycles with or without tires.....	30% <i>ad val.</i>	\$1.25 to \$2.50 each but not less than 15% nor more than 30% <i>ad val.</i>
373	Shovels, spades, scoops, and drainage tools, and parts.....	30% <i>ad val.</i>	15% <i>ad val.</i>
373	Agricultural hand tools and parts:— Hand forks, not specially provided for, hoes and rakes..... Parts of hand forks, hoes and rakes.....	15% <i>ad val.</i> 15% <i>ad val.</i>	7½% <i>ad val.</i> 7½% <i>ad val.</i>
397	Articles or Wares, wholly or in chief value of silver, not specially provided for.....	65% <i>ad val.</i>	50% <i>ad val.</i>
397	Silver-plated articles (plated on nickel silver or copper), not specially provided for.....	65% <i>ad val.</i>	35% <i>ad val.</i>
412	Furniture (other than chairs), wholly or partly finished, wholly or in chief value of wood, not specially provided for.....	40% <i>ad val.</i>	25% <i>ad val.</i>
412	Badminton-racket frames valued at \$1.75 or more each.....	33½% <i>ad val.</i>	20% <i>ad val.</i>
506	Sugar candy and confectionery, not specially provided for, valued 6 cts. or more per pound.....	40% <i>ad val.</i>	20% <i>ad val.</i>
603	Manufactured or unmanufactured tobacco, not specially provided for.....	55 cts. lb.	35 cts. lb.
704	Venison, fresh, chilled or frozen, not specially provided for.....	6 cts. lb.	3 cts. lb.
712	Birds, dead, dressed or undressed, fresh, chilled, or frozen (except chickens, ducks, geese, guineas and turkeys).....	10 cts. lb.	5 cts. lb.
718 (b)	Herring, smoked or kippered or in tomato sauce (not in oil, etc.), in airtight containers weighing with contents not more than 15 pounds each:— Packed in immediate containers weighing with their contents 1 pound each.....	25% <i>ad val.</i>	15% <i>ad val.</i>
720 (a) (3)	Herring, smoked or kippered, (except herring packed in oil or in oil and other substances and except herring packed in airtight containers weighing with their contents not more than 15 pounds each), eviscerated, split, skinned or divided into portions (not boned).....	3 cts. lb. 30% <i>ad val.</i>	2 cts. lb. 20% <i>ad val.</i>
721 (c)	Fish paste and fish sauce.....	30% <i>ad val.</i>	15% <i>ad val.</i>
733	Biscuits, wafers, puddings, cakes, and other baked articles.....	30% <i>ad val.</i>	15% <i>ad val.</i>
736	Lingon or partridge berries, natural or in brine.....	1¼ cts. lb.	¾ ct. lb.
738	Malt vinegar.....	8 cts. per proof gal.	4 cts. per proof gal.
751	Jellies, jams, marmalades, and fruit butters.....	35% <i>ad val.</i>	20% <i>ad val.</i>

Par. No.		Present Rate	Rate under New Agreement
763	Rye grass seed.....	3 cts. lb.	1½ cts. lb.
763	Clover seed not specially provided for.....	3 cts. lb.	2 cts. lb.
774	Celery in its natural state when imported and entered for consumption during the period April 15 to July 31, inclusive, in any year.....	2 cts. lb.	1 ct. lb.
808	Ginger ale, ginger beer, lemonade, soda water and beverages containing no alcohol or less than ½ per cent of alcohol.....	15 cts. per gal.	10 cts. per gal.
1001	Flax tow.....	1 ct. lb.	½ ct. lb.
1004 (b)	Threads, twines and cords of flax.....	40% ad val.	30% ad val.
1105 (a) and (b)	Wool and hair wastes:— Top, slubbing, roving, and ring waste....	37 cts. lb.	34 cts. lb.
	Garnetted waste.....	26 cts. lb.	18 cts. lb.
	Wool noils:— Carbonized.....	30 cts. lb.	21 cts. lb.
	Not carbonized.....	23 cts. lb.	16 cts. lb.
	Thread or yarn waste.....	25 cts. lb.	15 cts. lb.
	Card or burr waste:— Carbonized.....	23 cts. lb.	18 cts. lb.
	Not carbonized.....	16 cts. lb.	14 cts. lb.
	Wool waste not specially provided for.....	24 cts. lb.	14 cts. lb.
	Shoddy, and wool extract.....	24 cts. lb.	14 cts. lb.
	Mungo.....	10 cts. lb.	9 cts. lb.
	Wool rags.....	18 cts. lb.	9 cts. lb.
	Flocks.....	8 cts. lb.	5 cts. lb.
1106	Wool and hair advanced not further than roving, including tops.....	37 cts. lb. and 20% ad val.	37 cts. lb. and 12½% ad val.
1111	Wool blankets, etc., not over 3 yds. in length:— Valued at more than \$1 but not more than \$1.50 per lb.....	33 cts. lb. and 37½% ad val.	33 cts. lb. and 36% ad val.
	Valued at more than \$1.50 per lb.....	33 cts. lb. and 40% ad val.	33 cts. lb. and 36% ad val.
1114 (b)	Wool hosiery, not embroidered:— Valued at more than \$1.75 and not more than \$3 per doz. pairs.....	50 cts. lb. and 50% ad val.	50 cts. lb. and 35% ad val.
	Valued at more than \$3 per doz. pairs.....	50 cts. lb. and 50% ad val.	50 cts. lb. and 25% ad val.
1114 (b)	Gloves and mittens of wool, knit or crocheted (not embroidered):— Valued at more than \$3.50 per doz. pairs.....	50 cts. lb. and 50% ad val.	50 cts. lb. and 40% ad val.
1115 (a)	Wool wearing apparel (except hats and hat bodies), not knit or crocheted:— Valued at not more than \$4.00 per lb....	33 cts. lb. and 45% ad val.	33 cts. lb. and 30% ad val.
	Valued at more than \$4.00 per lb.....	50 cts. lb. and 50% ad val.	50 cts. lb. and 30% ad val.
1116 (d)	Rugs of oriental weave made on a power-driven loom.....	60% ad val.	40% ad val.
1404	Stereotype paper, pottery paper, carbon paper, coated or uncoated, valued over 15 cts. per lb:— Weighing not over 6 lbs. per ream.....	6 cts. lb. and 20% ad val.	4 cts. lb. and 15% ad val.
	Weighing over 6 lbs. per ream but less than 10 lbs. per ream.....	5 cts. lb. and 15% ad val.	4 cts. lb. and 10% ad val.
1404	India and Bible paper, weighing 10 lbs. or more and less than 20½ lb. per ream.....	4 cts. lb. and 15% ad val.	2 cts. lb. and 10% ad val.
1405	Simplex, decalcomania paper, not printed...	5 cts. lb. and 10% ad val.	2½ cts. lb. and 10% ad val.
1405	Boxes of paper, papier-mache, or wood covered or lined with surface-coated parchment, lithographed or similar papers, not covered or lined with fabric.....	5 cts. lb. and 20% ad val.	5 cts. lb. and 10% ad val.
1409	Blotting paper.....	30% ad val.	15% ad val.
1409	Hanging paper, printed, lithographed, dyed, or colored.....	1½ cts. lb. and 20% ad val.	1 ct. lb. and 10% ad val.

Par. No.	—	Present Rate	Rate under New Agreement
1409	Filtering paper, valued at 75 cts. or more per lb.....	5 cts. lb. and 15% <i>ad val.</i>	2½ cts. lb. and 7½% <i>ad val.</i>
1410	Unbound books of all kinds, bound books of all kinds except those bound wholly or in part in leather, sheets or printed pages bound wholly or in part in leather, pamphlets, music in books or sheets, and printed matter, all the foregoing not specially provided for (except unbound or bound prayer books and sheets or printed pages of prayer books; except tourist literature and diaries):— Of <i>bona fide</i> foreign authorship..... Other than of <i>bona fide</i> foreign authorship.....	15% <i>ad val.</i> 25% <i>ad val.</i>	7½% <i>ad val.</i> 20% <i>ad val.</i>
1410	Maps, charts, blank and slate books, engravings, etchings (except diaries, notebooks and address books).....	25% <i>ad val.</i>	20% <i>ad val.</i>
1412	Playing cards.....	10 cts. per pack and 20% <i>ad val.</i>	10 cts. per pack and 10% <i>ad val.</i>
1501 (a)	Asbestos textile manufactures.....	40% <i>ad val.</i>	20% <i>ad val.</i>
1501 (b)	Molded, pressed or formed articles, in part of asbestos, containing any binding agent, coating, or filler, other than hydraulic cement or synthetic resin.....	25% <i>ad val.</i>	20% <i>ad val.</i>
1502	Field hockey sticks and guards, polo mallets, table tennis bats, croquet mallets, soccer guards and tennis nets.....	30% <i>ad val.</i>	20% <i>ad val.</i>
1514	Emery wheels, emery files, and other manufactures of emery, corundum, garnet or artificial abrasives, not specially provided for (except wheels of corundum or silicon carbide).....	20% <i>ad val.</i>	10% <i>ad val.</i>
1519 (a)	Dressed furs (except silver or black fox, coney, rabbit, hare, dog, goat, kid, and fur sealskins, and plates, mats, linings, strips, and crosses of dressed dog and goat and kid skins):— Not dyed..... Dyed.....	25% <i>ad val.</i> 30% <i>ad val.</i>	15% <i>ad val.</i> 20% <i>ad val.</i>
1530 (b)	Leather (except leather provided for in Par. 1530 (d) made from hides or skins of cattle of the bovine species):— (1) Sole or belting leather..... (2) Leather welting..... (4) Side upper leather, and lining leather made from calf or kip skins (not including patent leather):— Side upper splits, wax or rough, not cut or wholly or partly manufactured into uppers, vamps, or any forms or shapes suitable for boots or shoes.... Other..... (5) Collar, bag, case, glove, garment or strap leather..... (6) Leather to be used in the manufacture of footballs, basketballs, soccer balls or medicine balls..... (7) All other, not specially provided for.....	12½% <i>ad val.</i> 12½% <i>ad val.</i> 15% <i>ad val.</i> 15% <i>ad val.</i> 20% <i>ad val.</i> 20% <i>ad val.</i> 20% <i>ad val.</i> 15% <i>ad val.</i>	10% <i>ad val.</i> 10% <i>ad val.</i> 10% <i>ad val.</i> 12½% <i>ad val.</i> 15% <i>ad val.</i> 15% <i>ad val.</i> 10% <i>ad val.</i>
1530 (d)	Bovine leather, grained, printed, embossed, ornamented, or decorated, in any manner, or made into fancy leather.....	30% <i>ad val.</i>	20% <i>ad val.</i>
1530 (e)	Welt boots and shoes of leather, not specially provided for.....	20% <i>ad val.</i>	50 cts. per pair but not less than 10% nor more than 20% <i>ad val.</i>
1531	Bags, baskets, belts, card cases, pocket-books, jewel boxes, portfolios and other boxes and cases, wholly or in chief value of leather, and manufactures of leather, rawhide or parchment, not specially provided for (not including coin purses, bill folds, card cases and similar flat leather goods):— Leads, leashes, collars, and similar dog equipment..... Belts and buckles to be worn on person... Other articles.....	35% <i>ad val.</i> 35% <i>ad val.</i> 35% <i>ad val.</i>	20% <i>ad val.</i> 17½% <i>ad val.</i> 25% <i>ad val.</i>

Par. No.		Present Rate	Rate under New Agreement
1542	Phonograph records.....	30% <i>ad val.</i>	15% <i>ad val.</i>
1552	Tobacco pipes and pipe bowls, wholly or partly finished of briar or other wood or root:—		
	Valued at less than \$1.20 per doz.....	5 cts. each and 60% <i>ad val.</i>	2½ cts. each and 40% <i>ad val.</i>
	Valued at \$1.20 or more but not more than \$5.00 per doz.....	5 cts. each and 60% <i>ad val.</i>	5 cts. each and 50% <i>ad val.</i>
	Valued at more than \$5.00 per doz.....	5 cts. each and 60% <i>ad val.</i>	2½ cts. each and 40% <i>ad val.</i>

IV

Modifications in Newfoundland Tariff

The provisions of the United Kingdom-United States Trade Agreement affecting Newfoundland benefit Canada by reducing the margins of preference now existing on certain United Kingdom goods (no preferences are now accorded Canadian goods in Newfoundland) and by reducing duties on several items.

As regards preferences which Newfoundland accords the United Kingdom, margins are to be reduced as follows:—

	Present Preference Margin to United Kingdom	Preference Margin to United Kingdom under Agreement
Lard, lard compounds, and similar substances..... <i>ad val.</i>	10%	Nil
Cinematograph apparatus and cameras of all kinds and parts thereof, <i>ad val.</i>	10%	Nil
Electric batteries of all kinds..... <i>ad val.</i>	10%	Nil
Electrically driven appliances (fans, vacuum cleaners, etc.) including razors and hair trimmers..... <i>ad val.</i>	10%	Nil
Machinery and parts otherwise unspecified in the tariff..... <i>ad val.</i>	10%	Nil
Cotton piece goods..... <i>ad val.</i>	10%	5%
Cotton quilts, sheets, towels, aprons, and curtains..... <i>ad val.</i>	10%	5%
Women's and children's boots, shoes, and slippers of leather..... <i>ad val.</i>	10%	5%
Hats, caps, bonnets and shapes of any material..... <i>ad val.</i>	10%	5%
Women's costumes, dresses, etc., other than of wool..... <i>ad val.</i>	10%	5%
Men's shirts, undergarments, pyjamas, etc., of any material..... <i>ad val.</i>	10%	5%
Gloves and mitts of any material, otherwise unspecified in the tariff, <i>ad val.</i>	10%	Nil
Lard and neutral stock, lard oil, to be used in manufactures..... <i>ad val.</i>	10%	Nil

Reductions in Newfoundland rates of duty are as follows:—

	Present Rate	Rate Under Agreement
Hams and tongues, dry salted or pickled..... per lb.	4c.	3c.
Dried fruits (except dates and raisins)..... per lb.	3c.	2c.
Raisins..... per lb.	3c.	Free
Lard, lard compound, etc..... <i>ad val.</i>	50%	30%
Cinematograph apparatus and cameras of all kinds and parts thereof... <i>ad val.</i>	65%	45%
Electrical appliances for cooking and heating..... <i>ad val.</i>	55%	45%
Cotton piece goods..... <i>ad val.</i>	25%	20%
Cotton quilts, sheets, towels, aprons and curtains..... <i>ad val.</i>	50%	45%
Women's boots, shoes, and slippers of leather..... <i>ad val.</i>	40%	35%
Hats, caps, bonnets and shapes of any material..... <i>ad val.</i>	65%	55%
Women's costumes, dresses, etc., other than of wool..... <i>ad val.</i>	40%	35%
Men's shirts, undervests, pyjamas, etc., of any material..... <i>ad val.</i>	40%	35%

As regards the last eight items, the Government of Newfoundland may increase the rates of duty. If the Government of Newfoundland should decide to take such action, the Government of the United Kingdom undertake that they will, not less than 30 days prior to the date on which such increase becomes effective, enter into discussion with the United States with a view to restoring the equilibrium of the agreement. A similar principle applies to the elimination of the preference margin on lard, lard compounds, and similar substances.

Copies of the trade agreement between Canada and the United States are obtainable from the King's Printer, Ottawa, at 25 cents per copy.

EMPIRE EXHIBITION, GLASGOW, 1938

G. B. JOHNSON, CANADIAN TRADE COMMISSIONER

Glasgow, November 1, 1938.—The Empire Exhibition at Glasgow closed on October 29 with the aim of the promoters to attract 12,000,000 visitors achieved. Total attendance during its six months' run was 12,593,232, the figure for the final day being 364,092. On the whole the exhibition was an unqualified success and a tribute to the organizing skill of the directors under the energetic and capable leadership of the Earl of Elgin and Sir Cecil Weir, who had the whole-hearted support of the rest of the United Kingdom, the dominions, and the colonies.

The Canadian pavilion was a point of interest for visitors from almost all parts of the world but especially the British Isles. The displays included, in addition to Canadian food products, a presentation of the extent and variety of the mineral resources of the Dominion, of her timber resources and products, transportation system, and commercial development. The design and interior arrangements of the building itself were the subject of favourable comment on all sides.

SALES OF SAMPLES

Canadian exhibitors were highly pleased with their volume of sales and the number of contacts established. Sales of food samples at the stands conducted by the Canadian Exhibition Commission were unusually good. The varieties sold numbered 131, and a total of 442,757 samples was disposed of. Chief among these were the following: —

Bacon, 79,731; cheese, 55,638; bread rolls of Canadian flour, 46,668; salmon sandwiches, 45,789; apples (cartons), 38,366; breakfast foods (packets), 34,368; sugar plums, 24,437; marshmallows, 23,416; honey, 19,458; canned vegetables and soups, 14,039; red salmon, 11,808; macaroni and spaghetti, 7,798; canned fruits, 7,389; maple syrup, 6,077; tomato ketchup and juice, 4,419; maple sugar, 2,336; pork and beans, 1,638.

The foregoing were additional to innumerable sales at the stands of individual firms.

The success of Canada's participation in the Glasgow Exhibition is due in great part to the earnest efforts and helpful consideration of the exhibition authorities. Through their co-operation over 90 per cent of the timber used in the construction of the hundred palaces and pavilions was Canadian. Apart from the sales of food samples from the stands of the Canadian Exhibition Commission, mentioned above, and the business done direct with the public and the trade by private exhibitors, 247 inquiries for Canadian products of all kinds were handled by the office of the Canadian Trade Commissioner, a large proportion of which will undoubtedly result in business for Canadian firms. Some of these were from countries as far afield as Iceland, Poland, South Africa, Australia, the British West Indies, and Portuguese East Africa.

Cattle, n.o.p.— Weighing less than 175 lbs.		No.	4, 102	68, 710	2, 082	47, 144	93, 611	1, 339, 598	43, 629	663, 131	24c. per lb., if less than 175 lbs.	14c. per lb., if less than 175 lbs.
Weighing 175 to 700 lbs.		No.	9, 312	212, 643	1, 081	21, 466	23, 413	533, 428	3, 048	69, 563	24c. per lb., if 175 to 700 lbs.	24c. per lb., if less than 175 lbs., on imports in excess of 51,933 head during any calendar year.
Weighing over 700 lbs.		No.	12, 416	832, 870	11, 389	639, 181	101, 504	10, 882, 894	50, 897	2, 929, 894	3c. per lb., if over 700 lbs.	3c. per lb., if over 700 lbs., on imports in excess of 155,799 head during any calendar year.
Horses, n.o.p.		No.	379	44, 241	302	30, 783	9, 547	1, 225, 807	4, 934	620, 515	\$30 per head, if valued at not more than \$150; 20% ad val. if valued more than \$150.	\$30 per head, if valued at not more than \$150; 20% ad val. if valued more than \$150.
Poultry, n.o.p.		No.	244, 596	177, 863	19, 502	14, 043	949, 464	585, 452	238, 767	174, 256	8c. per lb., if chickens, ducks, geese, turkeys, and guineas.	4c. per lb., if chickens, ducks, geese, turkeys, and guineas.
Fish, fresh and frozen—												
Clams, fresh.		Cwt.	467	414	27	80	42, 048	51, 692	24, 686	30, 545	Free.	Free.
Eels, fresh and frozen.		Cwt.	1, 702	13, 613	812	5, 749	3, 565	25, 982	2, 016	13, 777	1c. per lb.	1c. per lb.
Halibut, fresh and frozen.		Cwt.	3, 652	38, 318	5, 829	61, 889	44, 832	430, 186	53, 312	525, 730	2c. per lb.	1c. per lb.
Herring, sea, fresh and frozen.		Cwt.	13, 212	16, 228	23, 002	25, 941	178, 309	138, 179	118, 066	94, 849	Free.	Free.
Salmon or lake trout, fresh and frozen.		Cwt.	10, 267	105, 381	8, 741	90, 958	42, 308	402, 210	39, 148	428, 389	1c. per lb.	1c. per lb.
Lobsters, fresh.		Cwt.	2, 034	56, 347	1, 898	39, 993	103, 044	2, 245, 627	97, 767	1, 787, 596	Free.	Free.
Oysters, fresh.		Cwt.	52	354	37	141	214	1, 739	3, 078	2, 318	Free.	Free.
Salmon, fresh and frozen.		Cwt.	12, 622	65, 724	11, 012	82, 812	56, 319	494, 258	53, 948	555, 859	2c. per lb.	14c. per lb.
Smelts, fresh and frozen.		Cwt.	1, 493	17, 186	2, 999	28, 389	40, 797	360, 490	44, 603	432, 973	Free.	Free.
Swordfish, fresh and frozen.		Cwt.	248	3, 594	816	11, 230	14, 910	202, 245	12, 978	158, 008	2c. per lb.	14c. per lb., if not frozen;
Tullibee, fresh and frozen.		Cwt.	32	264	54	370	4, 447	32, 498	7, 827	63, 225	1c. per lb.	3c. per lb., if frozen
Whitfish, fresh and frozen.		Cwt.	8, 593	130, 997	6, 402	88, 231	111, 427	1, 310, 938	107, 203	1, 248, 306	1c. per lb.	1c. per lb.
Fish, pickled, salted, and smoked—												
Alewives, salted.		Cwt.			246	2, 400	6, 312	28, 730	6, 084	1, 289	14c. per lb., net weight.	14c. per lb., net weight.
Herring, sea, smoked.		Cwt.	1, 714	6, 348						28, 519	14c. per lb., if boned;	14c. per lb., if boned;
Salmon, pickled.		Cwt.	2	17	25	186	6	110	2, 042	33, 346	25% ad val.	25% ad val.
Fish, canned—		Cwt.										
Clams, canned.		Cwt.					28	200	294	5, 613	23% ad val., if razor clams;	15% ad val., if razor clams;
Lobsters, canned.		Cwt.									35% ad val., if other kinds.	35% ad val., if other kinds.
Fur skins, undressed—												
Beaver.		No.	883	54, 385	815	38, 698	4, 794	233, 082	4, 539	227, 184	Free.	Free.
Mink.		No.	556	10, 072	1, 255	17, 024	38, 855	596, 245	36, 977	424, 542	Free.	Free.
Muskrat.		No.	846	2, 082	68	815	62, 313	914, 594	78, 256	789, 994	Free.	Free.
Wolf.		No.	599	649	2, 180	2, 014	198, 313	283, 778	384, 545	305, 649	Free.	Free.
Leather—												
Harness leather.		No.	10	135	171	1, 560	32, 363	405, 057	16, 843	161, 337	Free.	Free.
Patent leather.		No.		664		672		2, 519		1, 029	12 1/2% ad val.	10% ad val
				649.				51, 299		9, 625	15% ad val.	10% ad val

CANADA'S DOMESTIC EXPORTS TO THE UNITED STATES OF PRINCIPAL COMMODITIES, Etc.—Concluded

Commodities	Month of October				Ten months ended October				United States Tariff	
	1937		1938		1937		1938		1935	Canada-United States Trade Agreement (Jan. 1, 1936)
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value		
Meats—										
Poultry, dressed or undressed.....	Lb.	8,622	1,696	603	83	6,342	1,886	\$	350 10c per lb.	6c. per lb., if chickens and guineas; 10c. per lb., if other poultry.
Milk products—										
Cheese.....	Cwt.	7,403	112,873	2,704	47,095	673,481	15,723		273,845 7c. per lb., but not less than 35% ad val.	5c. per lb., but not less than 25% ad val., if cheddar cheese in original leaves; 7c. per lb., but not less than 35% ad val., if other kinds of cheese.
Cream.....	Gal.	12,810	22,718		93,706	162,990	5,096		11,153 55-6/10c. per gal.	35c. per gal. on imports in excess of 1,500,000 gals. during any calendar year.
Whale oil.....	Gal.				530,644	148,469	457,274		144,196 5c. per gal.	24c. per gal.
Wood, Wood Products and Paper										
Single bolts of pine or cedar.....	Cord	127	1,979	4	28	3,868	147		Free.	Free.
Stave and other bolts, n.o.p.....	Cord		68			705			5,041 10% ad val.	10% ad val.
Firewood.....	Cord	8,314	45,205	10,037	53,077	282,904	49,015		255,952 Free.	Free.
Laths.....	M	23,466	102,037	17,678	64,289	882,762	126,151		404,185 Free.	Free.
Logs.....	M ft.	14,333	168,359	15,132	187,526	1,139,902	116,132		1,322,925 Free.	Free.
Maats and spars.....						414			75 \$1 per M ft. b.m., if fir, spruce, pine, hemlock or larch; free, if other kinds.	50c. per M ft. b.m., if fir, spruce, pine, hemlock or larch; free, if other kinds.
Pickets.....	M	5,542	37,338	3,823	22,843	221,940	28,588		205,138 Free.	Free.
Piling.....	Lin. ft.	110,246	5,490	100,994	5,410	43,936	591,807		35,718 \$1 per M ft. b.m., if fir, spruce, pine, hemlock or larch; free, if other kinds.	50c. per M ft. b.m., if fir, spruce, pine, hemlock or larch; free, if other kinds.
Planks and boards—										
Flooring of hardwood.....	M ft.	75	5,230	53	2,369	94,566	109		8,203 8c. ad val.	4% ad val.
Planks and boards, softwood.....	M ft.	40,805	1,128,010	49,534	1,180,549	11,785,915	342,304		8,516,903 \$1 per M ft. b.m. and 50c. per M ft. b.m. Revenue Tax if fir, spruce, pine, hemlock or larch; (a) free, if other kinds of wood, but subject to \$3 Revenue Tax per M ft. b.m.	\$1.50 per M ft. b.m. and 50c. per M ft. b.m. Revenue Tax if fir, spruce, pine, hemlock or larch; (a) free, if other kinds of wood, but subject to \$1.50 Revenue Tax per M ft. b.m.
Planks and boards, hardwood.....	M ft.	5,195	210,302	3,976	154,209	1,884,309	22,924		927,635 Free, but subject to \$3 per M ft. b.m. Revenue Tax.	Free, but subject to \$1.50 per M ft. b.m. Revenue Tax.
Poles—										
Telegraph and telephone.....	No.	43,009	153,303	48,389	142,952	1,082,811	270,300		864,051 Free.	Free.
Other poles.....	No.	39,535	3,625	45,157	4,805	24,246	518,522		1,723 Free.	Free.
Posts, fence.....	No.	141,089	1,122,428	103,454	886,110	60,153	1,102,211		46,574 Free.	Free.
Pulpwood.....	Cord	38,082	40,954	31,659	38,620	9,572,316	223,558		9,502,817 Free.	Free.
Railroad ties.....	No.	234,984	657,165	22,517	64,778	1,905,013	1,796,908		180,258 Free.	Free.
Shingles.....	Square		1,481		270	5,582,929			4,807,208 Free.	Free.
Staves and headings.....						72,295			9,828 Free, if staves; 33 1/3% ad val. if headings.	33 1/3% ad val. if headings.

Timber, square, softwood.....	M ft.	58	1,370	75	1,995	1,443	35,093	864	19,055 \$1 per M ft. b. m., if fir, spruce, pine, hemlock or larch, free, if other kinds.
Timber, square, hardwood.....	M ft.								
Wood pulp.....	Cwt.	3	2,796,839	77	2,170,810	12,177,605	548	4	222 Free.
Paper—Newsprint.....	Cwt.	5,234,862	9,613,103	4,034,604	9,041,768	47,292,555	80,203,002	7,107,617	17,201,987 Free.
								31,235,007	68,510,127 Free.
IRON AND ITS PRODUCTS									
Farm implements—									
Cultivators.....	No.	17	250			397	16,877	436	25,368 Free.
Drills.....	No.	5	911			715	80,403	530	70,804 Free.
Harrows and parts.....	No.		17,358		267		131,492		32,138 Free.
Harvesters and binders.....	No.	1	15				304,351	1,133	240,584 Free.
Mowers and reapers.....	No.		79,835			160	6,101	150	7,241 Free.
Ploughs and parts.....	No.					216	12,322	271	18,740 Free.
Reaper (threshers).....	No.				9,124		659,326		245,434 Free.
Parts of farm implements, n.o.p.....	No.		67,555		6,967	413	333,020	928	734,134 Free.
Ferro-silicon.....	Ton	1,434	28,078	557	15,280	12,426	621,648		303,279 Free.
							270,935	5,497	132,490 2c. per lb. on silicon content.
									14c. per lb. on silicon content) when containing 8% or more but not less than 30% of silicon.
Ferro-manganese and other ferro-alloys, n.o.p.....	Ton	308	23,750	1,910	52,459	21,516	997,263	8,755	269,811 11c. per lb. on manganese content.
									1c. per lb. on manganese content) when containing not less than 4% of carbon.
Skates.....	Pair	1,502	3,800	34,181	25,771	66,476	52,892	179,941	132,600 20% ad val.
NON-FERROUS METALS AND PRODUCTS									
Cobalt in ore.....	Cwt.			126	8,468	526	33,835	560	34,314 Free.
Cobalt, metallic.....	Lb.			12,726	18,917		2,944,700	61,231	60,195 Free.
Nickel in matte or spiss.....	Cwt.	11,961	215,298	7,44	135,852	124,743		70,220	1,203,900 Free.
Nickel in oxide.....	Cwt.	149	3,666	378	7,008	10,073	322,029	2,123	44,515 Free.
NON-METALLIC MINERALS AND PRODUCTS									
Abrasive, artificial, crude.....	Cwt.	157,598	382,799	84,487	208,595	1,709,503	4,525,620	862,153	2,303,040 Free.
Asbestos.....	Ton	9,311	503,351	5,059	314,787	180,273	4,377,425	43,722	2,420,033 Free.
Asbestos sand and waste.....	Ton	15,610	250,775	13,357	237,800	139,072	2,365,947	90,763	132,951 Free.
Bedspat and nepheline syenite.....	Ton	2,703	13,798	7,830	14,043	130,071	27,720	130,270	50c. per ton, if crude.
Gypsum, crude.....	Ton	102,703	122,069	73,047	86,408	598,304	691,988	589,303	634,408 Free.
Lime.....	Cwt.	7,079	2,980	9,431	5,817	137,353	60,904	101,384	40,982 Various.
Talc.....	Cwt.	14,939	7,787	14,601	7,366	125,161	62,029	105,597	54,598 35% ad val.
CHEMICALS AND ALLIED PRODUCTS									
Acetic acid.....	Cwt.	16,855	90,190	17,637	94,368	302,258	1,619,413	56,183	300,633 2c. per lb., if over 65%.
Cobalt oxides and cobalt salts.....	Lb.					97,320	130,072		20c. per lb., if oxides; 10c. per lb., if oxides; 30% ad val. if salts.
Cyanamid.....	Cwt.	145,100	152,600	155,091	165,369	2,352,339	2,567,154	2,205,250	2,442,901 Free.
Sulphuric acid.....	Cwt.	2,067	1,494	2,389	1,405	27,040	17,327	21,039	14,533 Free.
MISCELLANEOUS COMMODITIES									
Organs.....	No.					8	16,231	9	34,704 35% ad val.
Total exports of above commodities.....			23,181,142		18,332,173		219,721,979		150,228,811
Total domestic exports to United States*.....			40,970,302		41,445,701		410,680,176		285,034,942
*Includes: "Gold Bullion other than monetary".....			8,736,500		12,736,640		93,509,704		61,035,423

(a) Reduced rates not applicable to imports of Douglas fir or Western hemlock in any calendar year in excess of an aggregate quantity of 250,000,000 feet board measure.

USE OF STARCH IN COAL WASHING

L. H. AUSMAN, ASSISTANT TRADE COMMISSIONER

Bristol, November 1, 1938.—The increasing demand for cleaned and sized coals has focused the attention of the South Wales collieries on that part of the processing of coal which has to do with washing. During the last few years a number of new washeries have been installed in the coalfields in this area.

The water used in the washing process rapidly accumulates finely divided solids, mainly colloidal or semi-colloidal clay, shale, and very small coal particles. These minute solids do not settle in the slurry settling tanks and the amount gradually increases as the water is circulated and re-used until such a solid concentration is reached as to affect the efficiency of the washing.

It is difficult to calculate the money value of the losses represented by operating a coal washery under such unfavourable and inefficient conditions. These losses may include:—

- (i) Reduction of washed coal orders, due to the production of final products of inferior and inconsistent quality, or of poor appearance and high moisture content.
- (ii) The loss of saleable coal in an endeavour to slightly improve the condition of the circulating water.
- (iii) The expenditure of capital to provide ponds or land where slurry may be discharged or dumped.
- (iv) The working of extra shifts in the washery to get out of the system slurry which has not been recovered during the normal washing shift.
- (v) Increased maintenance and renewal charges in the washery and additional labour costs for grubbing, digging and wheeling the slurry from ponds, etc.

In addition, it might be mentioned that the proper treatment of coal washery and other slurries frequently prevents the pollution of rivers.

CLARIFICATION PLANTS

Several types of plant have been developed for the purpose of speeding up the settling of washery slimes, thereby reducing the coal content of the effluents, permitting the continued use of comparatively clean washery water, and making noticeable improvement in the cleanliness and general appearance of the washed coal.

Broadly speaking, the process employs the fundamental principle of flocculation; that is, the coagulation of a large number of individual grains and particles of microscopic dimensions into larger stable bodies which have an infinitely greater settling rate than the original detached particles. This process is achieved by the addition of such colloids as starch or glue to the washing water.

In modified form the principle is adaptable for the treatment and purification of almost any kind of polluted water or effluent, such as sewage, and the wastes from mills and factories dealing with paper, beet sugar, cheese, canned fruits and vegetables, etc.

STARCH AS A RE-AGENT

Starch from corn, wheat, rice, and potatoes have all been utilized, according to preference, although potato starch is perhaps most widely used and most economical. The so-called soluble potato starches are mainly manufactured in Germany and Holland and sell at from £12 per ton for low-grade material to £18 per ton for a really good soluble starch delivered to site.

For a coal washery treating 100 tons per hour the starch consumption would be something like 28 pounds per 8-hour shift, but this would vary according to the circumstances. The flocculent may be made by boiling the starch in water or by breaking down the starch granules with caustic soda or some other material. Some manufacturers produce a prepared starch-alkali for the purpose.

PROSPECTS FOR CANADIAN STARCH

While solubility is an important factor, a high-grade starch is not required for coal washing. One firm in the South Wales area manufacturing a clarification plant are prepared to consider Canadian offers of corn or potato starch. This firm would require a sample of about 7 pounds to enable investigation of the properties of the starch as a coagulating agent. Samples should be accompanied by an indication of the approximate acidity and moisture content, together with c.i.f. prices, for purposes of comparison.

DUTIES

The United Kingdom customs duty on rice, millet, and buckwheat starches and on cornflour, custard powder, and laundry materials containing such starches as these is 7s. 6d. per cwt. when imported from foreign countries. Corn starch is dutiable at 10 per cent ad valorem. These products when imported from Empire sources are duty free. Cassava starch and farina or potato starch are free of duty from all countries.

DECLINE IN SHIPBUILDING

FREDERIC HUDD, CHIEF CANADIAN TRADE COMMISSIONER IN THE
UNITED KINGDOM

London, November 3, 1938.—According to the annual report of Lloyd's Register of Shipping for the year ending June 30, 1938, various conditions disturbing to the natural trend of economic factors make it difficult to comment with any certainty upon the outlook of the shipping industry.

The improvement in the freight market which has been evident in recent years continued at the high level reached during the early months of 1937 until the autumn of last year, when a decline set in. The international political situation, large crops in consuming countries, and exchange difficulties have all contributed towards a shrinkage in world trade at present. As a result, many ships have had to be laid up.

It is hoped, however, that the International Scheme of Voluntary Co-operation, introduced in January, 1938, may alleviate the shipping situation. The scheme aims at continuing the minimum freight schemes which were in operation during the existence of the British Shipping (Assistance) Act and it has succeeded in maintaining rates in the controlled markets at a level sufficiently high to ensure a small margin above operating costs. The arrangement has proved of considerable benefit both to cargo lines and tramp ships.

In the passenger-carrying trade there has been a fair measure of prosperity, partly attributable to increased popularity in ocean travel and to the additional comfort in accommodation provided by various lines in their new tonnage. In the view of Lloyd's, passenger companies would have undertaken more new building were it not for the large increases in shipbuilding costs. These increases, which are due to advanced wages and higher prices of raw materials, have also caused concern to shipbuilders, who are unable to foresee under present conditions a continuation of orders to fill the berths emptied by the completion of the present shipbuilding program. The increased cost of operating vessels at present in service is still another deterrent to owners from contracting for new tonnage.

NEW VESSELS BUILT

During the twelve months ended June 30, 1938, Lloyd's classification was assigned to 462 new vessels of 1,515,580 tons gross, of which 810,308 tons were constructed in the United Kingdom and 705,272 tons in other countries. The following table gives details of the tonnage completed and classed in recent years:—

Year	Steam and Motor Tons	Sail and Non-propelling Tons	Total Tons
1929-30..	1,804,246	3,570	1,807,816
1930-31..	1,734,089	24,521	1,758,610
1931-32..	915,264	5,638	920,902
1932-33..	447,150	2,601	449,751
1933-34..	348,197	2,233	350,430
1934-35..	752,200	3,114	755,314
1935-36..	1,001,806	7,401	1,009,207
1936-37..	1,335,883	19,797	1,355,680
1937-38..	1,503,082	12,498	1,515,580

TONNAGE UNDER CONSTRUCTION

At the end of June last there were 331 vessels of 1,595,477 tons gross under construction throughout the world with a view to classification by Lloyd's. Of this total, 919,097 tons were being built in the United Kingdom and 676,380 tons abroad. As regards the orders placed for new tonnage for the period under review, Lloyd's approved plans of 365 ships of 1,140,900 tons gross. This figure is only 51 per cent of the total recorded in the year ending June 30, 1937.

TOTAL WORLD TONNAGE

The total tonnage of merchant vessels afloat at the end of June, 1938, classified by Lloyd's register, was 31,628,147 tons gross. Particulars are given in the following table:—

	Steel and Iron		Wood and Composite		Total
	Steam and Motor	Sail	Steam, Motor and Sail		
Great Britain and Ireland—					
Number..	4,240	162	3		4,405
Gross tonnage	13,521,132	49,329	221		13,570,682
British Dominions—					
Number..	547	10	2		559
Gross tonnage	1,479,053	5,063	445		1,484,561
Other countries—					
Number..	3,894	123	1		4,018
Gross tonnage	16,498,163	74,507	234		16,572,904
Totals—					
Number..	8,681	295	6		8,982
Gross tonnage	31,498,348	128,899	900		31,628,147

NOTE.—Sailing vessels fitted with auxiliary power are included in the figures shown for steamers and motorships.

MR. MUTTER'S TOUR OF CANADA

Mr. J. L. Mutter, Canadian Trade Commissioner at Johannesburg, South Africa (whose territory includes the Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland), will visit the following industrial centres in the interest of Canadian trade with his territory: Paris and Brantford, November 28; Hamilton, Simcoe, and Winona, November 29 and 30; Galt, December 1; St. Catharines and Welland, December 2.

Firms who wish to be brought in touch with Mr. Mutter should communicate with the respective Board of Trade or Chamber of Commerce in these centres.

CANADA-BERMUDA ONION TRADE

D. S. COLE, CANADIAN TRADE COMMISSIONER

New York, November 17, 1938.—There is a reciprocal and seasonal trade in onions between Canada and Bermuda, in which the balance of trade has been in Canada's favour in recent years. This is due to the fact that Bermuda is able to ship onions to Canada from April to July, while the reciprocal trade in Canadian onions extends all the year around, with the principal shipments being made in the fall of the year.

IMPORTS INTO BERMUDA

Bermuda official statistics of imports of onions are not available because all fresh vegetable imports are included under one heading. Bermuda imports onions chiefly from Canada and the United States, depending on which country offers the lower prices. In recent years Canada has enjoyed the bulk of the trade.

The quantities and values of onions exported from Canada to Bermuda for the years 1933 to 1937 and for the first six months of 1938, according to figures compiled by the Dominion Bureau of Statistics, were as follows:—

	Bushels	Value		Bushels	Value
1933	4,613	\$4,309	1936	5,272	\$5,237
1934	4,220	4,428	1937	4,227	5,300
1935	5,368	5,421	1938 (Jan.-June)	324	731

According to the statistics of the United States Department of Commerce, exports of onions from the United States to Bermuda for the five years 1932 to 1936 averaged 10,913 pounds valued at \$326 a year.

PRICES

At the present time Canadian prices have a slight advantage over those of the United States, recent quotations for Canadian onions being from \$2 to \$2.25 per 100-pound bag f.o.b. seaport and for United States onions from \$1.05 to \$1.10 per 50-pound bag f.o.b. New York.

CUSTOMS DUTIES

Bermuda has a protective tariff on onions during the months of April, May, June and July when the local crop is most abundant. During the remainder of the year the ordinary tariff for revenue purposes applies. The Bermuda tariff on onions is as follows: April to July inclusive, British preference, 2s. per bushel of 56 pounds; general, 2s. 6d. per bushel. August to March inclusive, British preference, 10 per cent ad valorem; general rate, 12½ per cent ad valorem.

EXPORTS FROM BERMUDA

As previously mentioned, Bermuda exports onions from April until July. The variety grown is chiefly the Yellow Bermuda, which is not a good storing onion and cannot be kept profitably after July and August.

Production in recent years has declined heavily due to a succession of poor crop seasons. As a result shipments to Canada have shown a considerable decrease. Lower prices in Canada and competition from such countries as the United States, Egypt, Argentina, and Australia, the crops of which are available in Canada at the time the Bermuda crop is ready for export, have also contributed largely to the decrease in exports.

According to figures supplied by the Bermuda Department of Agriculture, exports of onions from Bermuda to Canada for the years 1933 to 1937 and the first half of 1938, and the average selling price for each year, were as follows:—

	Bushels	Average Selling Price		Bushels	Average Selling Price
1930.....	10,322	\$1.12	1935.....	9,128	\$2.06
1931.....	3,360	2.04	1936.....	10,997	0.73
1932.....	29,034	1.67	1937.....	1,569	1.49
1933.....	20,890	1.06	1938.....	286	*
1934.....	18,047	1.31			

* The average selling price for 1938 is not available.

PRICES OF BERMUDA ONIONS

Domestic prices of Bermuda onions average as high as \$6 per bushel box in April and decline to about 60 cents per bushel box in June and July.

Normally Bermuda onions sell in Canada for about \$1.50 per box of 50 pounds. During the past season a small quantity was shipped to Canada at a price of \$2 per 50-pound box.

MARKET OUTLOOK

There are three factors mitigating against the exportation of Bermuda onions to Canada in large volume. Bermuda onions are not sufficiently dry, due to climatic conditions, their appearance is not especially attractive, and they are likely to sprout after shipment. Due to this last factor, wholesalers will not buy the onions in carload lots since considerable expense is involved in picking the sprouts from the onions to prevent spoiling.

It is the opinion of distributors in Bermuda that Canadian onion imports into Bermuda can only be increased by displacing part of the domestic supply or by increasing the consumption of onions. The latter is an unlikely development. Thus, no large increase in shipments of onions from Canada to Bermuda can be expected.

AUSTRALIAN WHEAT AND FLOUR

FREDERICK PALMER, CANADIAN TRADE COMMISSIONER

Melbourne, October 13, 1938.—Particulars of the areas sown to wheat in the several states of the Commonwealth for the current season are not yet available, but the total is estimated at not less than 14,000,000 acres.

NEW CROP PROSPECTS

While conditions in the wheat areas have been somewhat adversely affected by lack of September rains, the situation is generally fair and would respond well to satisfactory moisture conditions. The crops, however, have entered a critical period, and much will depend on the incidence and nature of the finishing rains; one report states that there is a likelihood of a much lighter crop than last year.

WHEAT PRICES

Australian wheat is now higher in price than No. 1 Manitoba c.i.f. United Kingdom, and Australian holders are asking 26s. 9d. per quarter of 480 pounds c.i.f. United Kingdom in comparison with 23s. 3d. for Pacific coast white wheats.

Under normal conditions the present range of prices would attract Oriental buyers into the market, but with conditions in China still unsettled it is not likely that substantial quantities of wheat will go to that country. Australia is there-

fore entirely dependent on the United Kingdom, apparently a reluctant buyer. It is hoped that the prevailing low level of prices will stimulate consumption both in the form of flour and for feeding purposes, for which latter use the consumption of wheat greatly increased during the last period of low prices.

The Commonwealth Government has been assured of the co-operation of the various states in connection with the proposals submitted by the state premiers that the Commonwealth Government should provide assistance to wheat growers by the imposition of an excise tax on wheat consumed within Australia, which would ensure a stable domestic consumption price for flour and bread in the various states at a level fair to both producer and consumer, based on a home consumption price of 4s. 8d. per bushel country sidings for wheat, or its equivalent.

Mr. Palmer cables from Melbourne under date November 16 as follows:—

Shipments of wheat and flour from Australia from December 1, 1937, to October 31, 1938, totalled, in terms of wheat, 121,152,483 bushels as compared with 87,772,466 bushels in the corresponding period of the previous year. Under pressure, particularly from Roumania and France, the market for Australian wheat continues to decline, and it is almost impossible to sell to the United Kingdom. Recent sales old Australian crop afloat were at 2s. 5d. (equivalent to 45 cents Canadian) per bushel f.o.b. A total of 100,000 tons of old crop stocks remain uncommitted, about half of which is in New South Wales elevators. The new crop, which is of fair quality and good colour, is ripening quickly under dry conditions, and early harvesting is proceeding. Victorian requirements are expected to be supplemented from other states, and the trade estimates the total exportable surplus at 78,000,000 bushels as compared with 140,000,000 bushels last season. For eleven new crop cargoes shipped to India the prices were 2s. (37 cents Canadian) per bushel to growers at country sidings and approximately 2s. 6d. (47 cents Canadian) per bushel f.o.b. Growers are selling sparingly. Export quotations for flour are approximately £5 15s. (\$21.58 Canadian) per ton in 49-pound calico bags and £5 7s. 6d. (\$20.17 Canadian) per ton in 150-pound sacks. The price of flour delivered Melbourne is £8 5s. (\$24.96 Canadian) per ton of 2,000 pounds. State premiers are to-day reviewing the progress of state legislation to fix the home consumption price of wheat at 4s. 8d. (88 cents Canadian) per bushel to grower. The freight rate to the United Kingdom averages 31s. 6d. per ton of 2,240 pounds bulk and 2s. 6d. per ton extra bagged.

MARKET CONDITIONS FOR SAUSAGE CASINGS IN THE NETHERLANDS

W. G. STARK, ASSISTANT TRADE COMMISSIONER

(One metric ton equals 2,205 pounds; one florin or guilder equals approximately Can.\$0.55 at the current rate of exchange; one metre equals 39.37 inches; one millimetre equals 0.039 inch.)

Rotterdam, November 3, 1938.—On account of the large number of live stock slaughtered in Holland, there is a considerable domestic production of casings of various types. This is supplemented by imports from China, Argentina, the United States, Belgium, and France in descending order of importance.

In former years most of the imports and of the better-class domestic casings were destined for export to Germany, Austria, Czechoslovakia, and Poland, where sausages are in popular demand. Following the more stringent payment and trade regulations introduced by Germany, shipments from Holland to that country have been greatly curtailed, and since the beginning of the year

the market for this transit trade has been further limited in Austria and that part of Czechoslovakia to which the Reich import regulations now apply.

TRADE FIGURES

The number of animals slaughtered in Holland amounted in 1936 to 415,000 full-grown cattle, 870,000 calves, and 2,182,000 hogs. Preliminary figures for the year October 1, 1936, to September 30, 1937, place the number of animals killed in that period as 369,000 full-grown cattle, 817,000 calves, and 2,271,000 hogs.

Netherlands statistics of foreign trade include bladders and casings of all kinds under one heading. The following table shows the totals of imports into and exports from the Netherlands by principal countries during the four years 1934 to 1937 inclusive:—

	Imports		Exports	
	M. Tons	Fl. 1,000	M. Tons	Fl. 1,000
1934	2,783	1,247	4,614	2,181
1935	3,525	1,862	4,060	2,580
1936	3,925	1,871	4,395	2,877
1937	5,130	2,639	4,868	3,587

Detailed figures of imports and exports in 1937 are as follows:—

	Imports		Exports	
	M. Tons	Fl. 1,000	M. Tons	Fl. 1,000
Total	5,130	2,639	4,868	3,587
Germany	30	31	1,592	868
Belgium and Luxembourg	900	236	212	191
United Kingdom	433	90	431	944
France	807	225	1,324	368
Czechoslovakia . . . . .	....	....	11	14
Norway	225	57	23	23
Sweden	23	11	278	177
Poland and Danzig	2	3	177	118
Italy	8	4	340	100
Austria	1	3	46	47
Yugoslavia . . . . .	....	....	26	10
Spain . . . . .	....	....	32	15
Latvia . . . . .	....	....	14	16
Switzerland	3	6	45	63
Lithuania and Memel	94	16	....	....
South Africa	4	9	51	98
China	530	1,273	....	....
Canada	72	17	....	....
Argentina	947	273	....	....
Brazil	115	25	....	....
Uruguay	295	64	....	....
United States	577	256	236	398
Australia	2	3	51	111

The following figures for the first nine months of 1938 show a considerable decline as compared with the similar period of 1937 in both imports and exports:—

	Imports		Exports	
	M. Tons	Fl. 1,000	M. Tons	Fl. 1,000
Total for Jan.-Sept., 1937	3,718	2,021	3,540	2,681
Total for Jan.-Sept., 1938	2,463	1,098	2,991	1,856
Germany . . . . .	....	....	1,055	597
Belgium and Luxembourg	263	81	166	131
United Kingdom	228	47	133	311
France	418	125	889	213
Czechoslovakia . . . . .	....	....	34	25
Sweden	27	15	161	147
Norway	153	43	....	....
Poland and Danzig . . . . .	....	....	61	76
Italy	27	12	165	41
Austria . . . . .	....	....	44	26
China	183	375	....	....
Turkey	3	24	73	36
Switzerland . . . . .	....	....	48	30
South Africa . . . . .	....	....	31	49
Argentina	531	141	....	....
Uruguay	141	32	....	....
United States	304	121	18	61
Australia . . . . .	....	....	29	57

Particulars as to arrivals from Canada are not given in the preliminary trade statistics, from which the above details have been taken.

DUTIES AND PAYMENTS

Casings enter the Netherlands free of duty. There are no payment restrictions in Holland as far as imports from Canada are concerned.

PRICES AND MARKET CONDITIONS

Generally the casing market in Holland is at present rather dull. Netherlands casings in many instances are a by-product of secondary importance, and local supplies are sold at whatever prices can be obtained. Current quotations c.i.f. Netherlands ports for foreign supplies are as follows:—

Beef Casings.—Rounds, wide domestics, 140 sets to the tierce, are quoted at \$0.25 per set. Little of this quality is offering although the demand is fairly good. Supplies from the United States of rounds, 180 sets to the tierce, are quoted at \$0.13½ per set, and wide beef middles, 110 sets to the tierce, at \$0.33 per set. These have only been handled in small lots and it is difficult to make this price. English beef middles are offered at \$0.18 per bundle of 15 metres and English beef rounds at \$0.12 per bundle of 18 metres. No. 1 domestic Argentine beef rounds, 180 sets to the tierce, are quoted at from \$0.09 to \$0.10 per set, and wide beef middles, 110 sets per tierce, have been as low as \$0.18 and are now \$0.20 to \$0.21 per set.

Hog Casings.—Wide hog casings, 41 to 42 millimetres and wider, are offered from the United States at from \$0.65 to \$0.75 per set of 100 yards. Prices range upwards to \$1.50 for medium and special. The greater quantity of hog casings brought into Holland are from China; quotations at the moment, however, are not available.

Sheep Casings.—French sheep casings, sold directly to sausage makers, are quoted at an average of \$0.31 per 20 metres.

MARKET PROSPECTS

As shown in the statistics of imports, there are small shipments of Canadian casings to this market. These are chiefly handled by one or two of the large Canadian packing concerns with established agents in this market.

According to the trade, current Canadian prices are slightly above United States offers on beef casings and entirely out of line on hog casings. Owing to slackness in demand and the difficulties experienced by Netherlands buyers in disposing of their surplus supplies in Germany, there appears to be little opportunity at present for additional Canadian firms to secure a foothold in this market either for domestic or transit trade. Any favourable change in the situation, however, will be brought to the attention of potential Canadian suppliers.

FUR TRADE IN PORTUGAL

A. B. MUDDIMAN, CANADIAN TRADE COMMISSIONER

Milan, October 19, 1938.—Furs in Portugal are a luxury. They are worn for ornament rather than for comfort. The climate is mild and the number of women able to afford furs is limited. At least 95 per cent of Portugal's population of six million is unable to purchase furs. Further, members of the limited rich class prefer to purchase them on their annual visits to Paris. Consequently the local furriers cater only to the upper middle class. The business is thus on a very small scale, and Portuguese furriers to make a living handle other articles such as ornaments, knitted wear, hats, stockings, gloves, and perfumery.

There are four firms in Portugal—in addition to a few Polish Jews—interested in the importation of furs, and some thirty shops engaged in the retail sale of furs. Two-thirds of the latter are in Lisbon and the remainder in Oporto. In addition, three small firms in Lisbon and one in Oporto tan and dye furs. The industry is elementary and cannot treat many furs, such as sealskin, and the workers in it are lacking in skill. German competition in imitation skins hits the importation of genuine pelts for treatment. By means of the fast airplane service from Leipzig to Lisbon, special orders, placed by cable in Germany, can be delivered in three days from time of cabling.

IMPORTS

Most of the small quantity of imports is of the cheaper kinds of fur, such as hare, rabbit, North and South American opossum, Finland fox, skunk, and French stone marten. There is a restricted importation of red, silver, blue, white, and cross fox, and of sable, ermine, fitch, and squirrel. Portuguese furriers also stock some dressed and dyed skins, such as astrakhan, broadtail, seal, kid, kidcross, lamb, imitation ocelot, Persian lamb, Shiraz lamb, swan, and pony, and many imitations of cheap skins.

Silver fox is not the fashion at present in Portugal, but it is still possible to sell some silver fox there if prices are attractive to importers. In this line Canadian exporters have to meet the prices offered by Norwegian competitors. In this connection it may be recalled that the Norwegian fox-farming industry was started with stock supplied from Canada. Portugal now buys blue fox from Sweden as the Greenland blue fox is too dear. The principal imports of sable come from France, Spain, Bulgaria, and Germany. Portugal produces sable of a coarse texture and also red fox, otter, kid, and rabbit.

CUSTOMS DUTIES

For the protection of the small domestic dressing and dyeing industry, the Portuguese tariff imposes much heavier duties on dressed than on raw skins. The rates of duty in gold escudos—one gold escudo equals \$1.07 Canadian and one kilogram equals 2.2 pounds—are as follows: skins, raw, 0.04 gold escudo per kilo; skins, dressed and dyed in animal's original shape, 9 gold escudos per kilo; skins, dressed and dyed, not in animal's original shape, as nappetes, etc., 20 gold escudos per kilo.

In addition to the above duties there is a surtax of 20 per cent of the duty.

FOREIGN TRADE OF GREECE, ROUMANIA, AND BULGARIA, JANUARY-JUNE, 1938

HENRI TURCOT, CANADIAN TRADE COMMISSIONER

Greece

(110 drachmae are approximately equal to \$1 Canadian)

Cairo, October 28, 1938.—According to official statistics, imports into Greece in the six months ended June 30, 1938, were valued at Drs.7,608,402,000 as against Drs.7,141,899,000 in the corresponding period of 1937, indicating an advance of Drs.466,503,000; exports totalled Drs.4,149,477,000 as compared with Drs.4,001,191,000, an increase of Drs.148,286,000. The unfavourable balance of trade increased from Drs.3,140,708,000 in the first half of 1937 to Drs.3,458,925,000 during the period under review. It is estimated that this adverse trade balance was largely offset by invisible exports.

TRADE WITH CANADA

In the Greek official statistics, imports from Canada into Greece and exports from that country to the Dominion for the first six months of 1938 and 1937 respectively were as follows:—

	January to June 1938 Drs.	1937 Drs.	Inc. or Dec. Drs.
Imports	177,460,000	145,877,000	+31,583,000
Exports	1,417,000	1,764,000	— 347,000
Trade balance	—176,043,000	—144,113,000	+31,930,000

Converted into Canadian currency, the foregoing figures are shown as follows:—

	January to June 1938 \$	1937 \$	Inc. or Dec. \$
Imports	1,613,273	1,326,155	+ 287,118
Exports..	12,882	16,036	— 3,154
Trade balance	— 1,600,391	— 1,310,119	+ 290,272

The value of Greece's purchases from Canada therefore show an excess over her sales to the Dominion of \$1,600,391 in the first half of 1938 as against \$1,310,119 in the six months ended June 30, 1937. Canadian exports to Greece are composed almost exclusively of wheat. As substantial quantities of Canadian wheat have recently been shipped to Greece, it is expected that the figures for the second half of 1938 will show a considerable advance in Canada's exports to that country.

IMPORTS OF WHEAT INTO GREECE

In view of the importance of wheat among Canadian exports to Greece, detailed figures of that country's imports of this commodity during the first six months of 1938 as compared with the same period of the previous year are given in the following table:—

	January to June			
	1938	1937		
	Tons	Drs.	Tons	Drs.
Argentina	3,300	18,388,244	137,868	781,516,785
Australia	99,109	461,105,007	568	2,783,000
Bulgaria	2,801	12,143,645	.....	.....
Yugoslavia	2	9,700	49,232	257,751,563
Russia..	23,203	115,432,680	.....	.....
United States	42,045	215,594,143	501	2,997,400
Canada	35,422	176,459,004	24,971	143,581,770
Hungary	1,354	7,084,750	31,122	159,241,319
Roumania	78,758	375,797,471	68,032	364,479,673
Turkey..	5,641	25,573,164	302	1,791,400
Other countries.. . . . . . . . . .	.....	.....	143	557,900
Total..	291,635	1,407,597,808	312,739	1,714,700,810

Roumania

(100 lei equal approximately \$0.73 Canadian)

According to figures recently issued by the National Bank of Roumania, imports into that country were valued at 8,970,623,000 lei and 7,558,398,000 lei in the first six months of 1938 and 1937 respectively, an advance of 1,412,225,000 lei. The values of Roumanian exports totalled 9,708,679,000 lei and 14,108,148,000 lei, a decline of 4,399,469,000 lei, and the favourable balance of trade stood at 738,056,000 lei as against 6,949,750,000 lei, a recession of 6,211,694,000 lei. Exports therefore decreased in a much greater proportion than imports increased,

and the substantial falling off in Roumania's favourable balance of trade would appear to be primarily due to difficulty in disposing of Roumanian goods abroad, coupled with diminished stocks available for export, and only secondarily to increased imports consequent upon industrial developments and the rearmament policy of the country.

During the six months ended June 30, 1938, the leading countries, in order of importance, sharing in Roumania's imports, were: Germany, Czechoslovakia, Great Britain, France, Italy, Austria, and Egypt, while the principal purchasers of Roumanian products, also in order of importance, were: Germany, Czechoslovakia, Italy, Great Britain, France, Hungary, and Egypt.

Bulgaria

(100 leva equal approximately \$3.47 Canadian)

The trade returns as published by the National Bank of Bulgaria show imports into that country of 165,000 tons (2,260,000,000 leva) in the six months ended June 30, 1938, as against 151,000 tons (2,255,000,000 leva) for the corresponding period of 1937, and exports from Bulgaria at 285,000 tons (2,583,000,000 leva) as compared with 313,000 tons (2,388,000,000 leva). In the light of the above figures, the excess in the value of exports over imports was 323,000,000 leva in the first half of 1938 as compared to 133,000,000 leva in the first six months of 1937, indicating an advance of 190,000,000 leva.

During the period under review Germany ranked first among suppliers to Bulgaria and purchasers of her products with 51.2 and 46.4 per cent of total imports and exports respectively as against 57.8 and 45.6 per cent in the six months ended June 30, 1937. The United Kingdom was second in importance with 8.5 and 6.8 per cent as compared with 5.1 and 12.6 per cent in the first half of 1937.

ROUMANIA'S CEREAL CROPS

Mr. Henri Turcot, Canadian Trade Commissioner at Cairo, advises under date October 25 that official estimates place Roumania's wheat harvest at a total of 5,100,000 tons as compared with 3,810,000 tons in 1937, providing an estimated surplus for export of 2,100,000 tons at least. The official estimate reports improved yields for rye and barley and puts the yield of the important maize crop at approximately 5,000,000 tons.

The report that arrangements had been made for the disposal of 400,000 tons of Roumanian wheat in the United Kingdom has now been confirmed. Some of this grain is to be sold abroad, but it is expected that a considerable quantity of it will be used by British millers for mixing with better-quality wheat.

The Roumanian Government has instituted an export bounty for wheat at the rate of 10,000 lei (approximately \$75 Canadian) on every carload of wheat which conforms with a certain standard of purity and weight, namely, not more than 3 per cent of foreign matter and 17 kilograms (about 37.5 pounds) per sack. The bounty is to be paid for exports to countries without currency restrictions or with stable and free currencies.

CYPRUS MINING INDUSTRY IN 1937

HENRI TURCOT, CANADIAN TRADE COMMISSIONER

Cairo, October 31, 1938.—According to a report by the Inspector of Mines and Labour at Nicosia, a new record was established in the mineral production of Cyprus in 1937. Exports of mineral products amounted in value to £1,127,824, which is rather more than half the total value of domestic produce exported from the island during the year. The corresponding figure for 1936 was £712,000. The principal increase was in respect of copper pyrites, for which there was a steady demand by European consumers throughout the year.

The first half of 1937 witnessed the greatest activity in prospecting ever recorded in Cyprus, due to reported discoveries of gold and to the enhanced price of copper in that period. The total expenditure incurred by the Cypriot mining industry in 1937 was £1,388,000, of which £700,000 is estimated to have been spent in the colony. These figures compare with £778,000 and £440,000 respectively in the previous year.

MINERALS EXPORTED

The quantities of the various minerals exported from Cyprus in the course of the last two years (figures for 1936 being within parentheses) were as follows: asbestos, 11,709 tons (9,506); chrome iron ore, 481 tons (5); gold, in ores and precipitates, 23,650 fine ounces (20,991); copper concentrates, 111,506 tons (58,714); gypsum (calcined), 4,637 tons (4,910); gypsum (raw), 8,725 tons (11,429); pyrites (dry), 379,579 tons (211,692); stone (rough), 10 cubic yards (79); pumice stone, 2 tons (304); silver, in ores and precipitates, 132,968 fine ounces (125,704); terra umbra, 7,498 tons (4,541); and terra verte, 12 tons (14).

JAPANESE CORPORATION PROFITS, JANUARY TO JUNE, 1938

A. K. DOULL, ASSISTANT TRADE COMMISSIONER

(One yen at the current rate of exchange equals approximately 29 cents Canadian)

Tokyo, September 29, 1938.—According to a survey just completed by Mitsui Gomei Kaisha of 1,000 business institutions in Japan covering the first six months of 1938, profits of 940 companies amounted to 604,900,000 yen; the remaining 60 companies showed losses totalling 2,700,000 yen. Thus the 1,000 companies covered by the survey had a net profit of 602,200,000 yen.

STATISTICAL POSITION

These earnings represented 12·9 per cent on the total paid-up capitalization of 9,299,000,000 yen and 10·3 per cent on the gross capitalization, which includes the paid-up capitalization, reserves and balances brought forward from the preceding term but excludes such items as employees' surety reserves and employees' mutual relief society reserves.

The total net profit showed an increase of 75,000,000 yen or 14·4 per cent over that of the same period of last year or 6·5 per cent over that of the preceding six months. The profit rate advanced to 12·9 per cent from 12·7 per cent for the similar period of last year and also for the previous six months' period.

There were 18 more companies showing losses during the period under review than there were during the similar period of 1937, and 13 more than during the previous six months. Losses increased by 820,000 yen over those of the 1937 similar period and by 920,000 yen over the preceding term.

Undivided profits amounted to 183,400,000 yen. This figure shows an increase of 26,700,000 yen or 17.1 per cent over the 1937 similar period and 14,600,000 yen or 8.7 per cent over the last six months of 1937.

The rate of undivided profits to total paid-up capitalization was 3.9 per cent, showing an increase of 0.1 per cent over both previous periods.

During the period under review 106 companies passed their dividends. This was two less than during the previous six months, and represented 10.6 per cent of the firms investigated.

GENERAL SITUATION

According to the report based on the survey, the so-called "peace" industries were adversely affected during the period under review by the strengthening of war industries, all of which continued prosperous. The general increase in profits is attributable to the activity in war and related industries.

Heavy industry as a whole showed profits, also the chemical and fertilizer industries. In the fibre industries, spinning and weaving were depressed, as was also rayon. The woollen textile industry, however, was active due to speculative demand. The flax industry remained steady due to army demand. Sugar, in conformity with world demand, was depressed, while the wheat flour, confectionery, and brewery industries were active. Brewery companies failed, however, to show increased profits over the last period, due to increased prices for raw materials. Heavy orders from the army produced profits for the leather and hide industries. Paper mills showed a decrease in profit over the last period owing to high prices of raw materials. In the ceramic industries, cement suffered due to high prices, while the glass and brick companies enjoyed fair business.

Large commercial firms were favoured with good business, which is reflected in improved results for commercial firms as a whole, but not in those of smaller firms, many of which have suffered severely. Commodity exchanges and security markets showed poor returns, while real estate remained steady. In the public utility field, power companies, gas companies, and street railways showed fair results. Shipping was poor, and provincial railways suffered considerably.

Trust company business was better, as was also warehousing. Rubber industries were depressed.

COMPANIES MAKING ANNUAL RETURNS

In addition to the 1,000 companies already referred to, there were 40 others that settle their accounts once a year. The latter, with a total paid-up capitalization of 119,500,000 yen, showed profits of 11,450,000 yen or 9.6 per cent on the paid-up capitalization, a decrease of 600,000 yen from the previous year.

A further survey of the business results of 50 companies in Korea, Formosa, Karafuto, and the Kwantung Leased Territory shows that these companies, with a total paid-up capitalization of 442,000,000 yen, realized profits during the first six months of 1938 of 34,700,000 yen, or a rate of 15.7 per cent, an increase of 400,000 yen over the previous six months.

Profits realized by various lines of business, together with profit rates for the first half of 1938, as compared with the second half of 1937, were as follows:—

	July-Dec., 1937		Jan.-June, 1938	
	Profits 1,000 Yen	Profit Rate Per Cent	Profits 1,000 Yen	Profit Rate Per Cent
Total (1,000)	565,237	12.7	602,236	12.9
Fibre industry (122)	71,413	15.6	71,509	14.5
Spinning, weaving (68)	45,466	16.7	45,408	16.2
Woollen textiles (28)	7,915	12.5	8,480	13.1
Hemp manufacturing (6)	1,426	16.1	1,587	18.0
Rayon yarn (20)	16,605	12.8	16,032	11.6

	July-Dec., 1937		Jan.-June, 1938	
	Profits 1,000 Yen	Profit Rate Per Cent	Profits 1,000 Yen	Profit Rate Per Cent
Food industry (29)	17,897	18.0	17,998	17.7
Sugar (2)	6,605	22.3	5,781	19.5
Flour (5)	2,040	11.8	2,263	13.3
Confectionery (11)	1,469	13.9	1,633	13.9
Breweries (3)	6,787	19.2	6,757	18.4
Distilleries (8)	993	15.4	1,563	24.0
Hides and leather (4)	1,077	24.1	1,457	30.9
Paper milling (23)	20,850	15.0	20,578	14.8
Ceramic industry (45)	13,487	11.4	13,431	11.2
Cement (18)	7,392	8.5	6,796	7.8
Glass (4)	3,963	19.4	4,139	20.3
Other (23)	2,131	18.7	2,495	20.5
Chemical industry (65)	39,839	13.8	46,180	14.5
Fertilizer (17)	20,554	12.5	23,310	13.2
Industrial chemicals (17)	7,922	14.8	9,380	14.8
Other (31)	11,363	15.9	13,490	17.5
Metal industry (40)	77,305	22.3	88,373	23.0
Iron and steel (26)	67,737	22.8	77,778	23.6
Copper (10)	8,162	22.0	8,935	21.9
Other (4)	1,405	11.8	1,659	12.0
Shipbuilding and car foundry (12)	16,855	12.7	19,328	13.9
Machine and tool industry (100)	43,400	18.5	51,740	18.1
Electrical (25)	19,600	18.4	23,648	17.7
Other (75)	23,799	18.5	28,091	18.5
Mining (38)	49,006	15.8	56,453	17.3
Printing (10)	1,227	13.1	1,282	13.7
Commerce (70)	29,507	16.7	31,243	17.6
Trade (19)	21,912	18.7	22,044	18.6
Security (23)	3,624	12.5	2,986	10.3
Other (28)	3,970	13.2	6,213	20.7
Bourse (25)	5,581	10.2	5,049	9.3
Real estate (34)	3,675	4.7	3,750	4.8
Electric light and power (85)	94,339	8.3	97,254	8.5
Gas (50)	11,478	10.0	11,826	10.3
Traffic (141)	44,273	8.6	41,406	7.7
Railway and tramway (107)	23,230	5.8	23,332	5.6
Shipping (18)	19,367	18.9	16,117	14.8
Other (16)	1,675	13.3	1,955	15.4
Warehouse (24)	1,588	3.7	1,775	4.1
Trust (30)	4,869	13.0	5,169	13.8
Rubber plantations (8)	1,829	12.7	1,347	9.2
Miscellaneous (45)	15,732	11.6	15,079	10.7

Figures in parentheses represent number of firms investigated in each industry.

UNITED KINGDOM MERCHANDISE MARKS ACT

WATCH STRAPS

Referring to the notice appearing in *Commercial Intelligence Journal* No. 1805 (September 3, 1938), the Chief Canadian Trade Commissioner in London writes that a draft Order in Council has been laid before Parliament which, if adopted, will require "straps, wristlets, bands, cordettes, and similar articles ordinarily worn with watches, but not including those made wholly or mainly of metal," to bear an indication of origin upon importation into the United Kingdom.

TARIFF CHANGES AND CUSTOMS REGULATIONS

St. Lucia

PROHIBITION OF MOTOR VEHICLES WITH LEFT-HAND DRIVES

The importation into the colony of St. Lucia, British West Indies, of any motor vehicle fitted with a left-hand driving control, that is to say, having a steering wheel placed so as to be controlled from the left-hand side of the motor vehicle, is prohibited except under special permit, by statutory rules and orders issued October 25, 1938, and to be effective from January 1, 1939.

Denmark

GRAIN LAW AMENDED

Mr. Richard Grew, Canadian Trade Commissioner at Oslo, writes under date November 9 that an addition to the Danish Grain Law of December 22, 1937 (effective from January 1, 1938), as reported in *Commercial Intelligence Journal* No. 1775 (February 5, 1938), has recently been passed and came into force as from November 7. The chief provision of this addition is to make compulsory a certain admixture of Danish wheat in the milling of wheat flour. For the month of November the percentage of Danish wheat to be used has been fixed at 40 per cent. After that date the percentage will be increased to 50 per cent. Before any compulsory mixing regulations were in force, Danish mills had been accustomed to use approximately 20 per cent Danish and 80 per cent foreign wheat.

The Minister of Agriculture and Fisheries may grant permission to commercial mills to mill foreign and domestic wheat separately, provided the flour of the foreign wheat is mixed in the proportion in effect at all times with flour of Danish wheat, either at the mill concerned or at one of the mixing plants designated by the Minister. The above-mentioned percentages may be changed by the Minister of Agriculture and Fisheries after deliberation with the Agricultural Council if Danish wheat cannot be procured in sufficient quantities or if the price of Danish wheat should warrant such an action.

The Minister of Agriculture and Fisheries has the right to require all mills that are milling bread grain for human consumption to be in possession of an authorization issued by the Minister under certain conditions.

Latvia

TARIFF REDUCED ON NEWSPRINT AND CARDBOARD

A Latvian law published in *Valdibas Vestnesis* (Latvian official gazette), effective October 29, provides free entry into Latvia for newsprint. The rate of duty formerly applicable to Canada was 3 lats per 100 kilos, or about 26 cents per 100 pounds. The rate on corrugated or gophered cardboard is reduced from 4.5 lats to 2.5 lats per 100 kilos, or approximately from 38.8 to 21.5 cents per 100 pounds.

Netherlands Indies

REGULATION OF THE SALE OF STRONG MEDICINES

Mr. B. C. Butler, Canadian Trade Commissioner at Singapore, reports that a Netherlands Indies ordinance with respect to the sale of strong medicines, which came into effect in December, 1937, has been implemented by lists of preparations the sale of which will hereafter be under licence. Ordinance No. 641, dated December 21, 1937, provided that the sale of strong medicines is prohibited except under licence. Strong medicines are defined as materials not intended for technical purposes, whether or not packed, indicated by the Chief of the Public Health Service as injurious under certain circumstances to the life or health of human beings, to which is ascribed a restorative, strengthening, beautifying, disinfecting, or other medicinal effect with regard to the human body.

FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING NOV. 21, 1938

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, November 21, 1938, and for the week ending Monday, November 14, 1938, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending Nov. 14	Nominal Quotations in Montreal Week ending Nov. 21	Official Bank Rate
Austria	Schilling	.1407	.....	.....	—
Belgium	Belga	.1001	\$.1705	\$.1704	2½
Bulgaria	Lev	.0072	.0126	.0124	6
Czechoslovakia	Koruna	.0296	.0346	.0345	3
Denmark	Krone	.2680	.2120	.2111	4
Finland	Markka	.0252	.0209	.0209	4
France	Franc	.0392	.0265	.0264	3
Germany	Reichsmark	.2382	.4037	.4036	4
Great Britain	Pound	4.8666	4.7500	4.7300	2
Greece	Drachma	.0130	.0088	.0087	6
Holland	Guilder	.4020	.5450	.5482	2
Hungary	Pengo	.1749	.2991	.2989	4
	Unofficial		.1981	.1981	—
Italy	Lira	.0526	.0530	.0530	4½
Yugoslavia	Dinar	.0176	.0229	.0229	5
Norway	Krone	.2680	.2387	.2376	3½
Poland	Zloty	.1122	.1893	.1895	4½
Portugal	Escudo	.0442	.0431	.0428	4-4½
Roumania	Leu	.0060	.0074	.0074	3½
Spain	Peseta	.1930	.0512	.0503	5
Sweden	Krona	.2680	.2447	.2436	2½
Switzerland	Franc	.1930	.2277	.2275	1½
United States	Dollar	1.0000	1.0087	1.0081	1
Mexico	Peso	.4985	.2031	.2007	3
Cuba	Peso	1.0000	1.0080	1.0074	—
Guadeloupe	Franc	.0392	.0265	.0264	—
Jamaica	Pound	4.8666	4.7600	4.7400	—
Martinique	Franc	.0392	.0265	.0264	—
Other British West Indies	Dollar	1.0138	.9895	.9853	—
Argentina	Peso (Paper)	.4245	.3172	.3153	3½
	Unofficial		.2330	.2309	—
Brazil	Milreis (Paper)	.1196	.0591	.0591	—
British Guiana	Dollar	1.0138	.9895	.9853	—
Chile	Peso	.1217	.0523	.0522	4½
	Unofficial		.0404	.0403	—
Colombia	Peso	.9733	.5765	.5752	4
Peru	Sol	.2800	.2017	.2016	6
Venezuela	Bolivar	.1930	.3127	.3125	—
Uruguay	Peso	1.0342	.6264	.6224	—
South Africa	Pound	4.8666	4.7437	4.7237	3½
Egypt	Pound (100 Piastres)	4.9431	4.8725	4.8500	—
China (Shanghai)	Dollar	.....	.1586	.1603	—
Hongkong	Dollar	.....	.2968	.2948	—
India	Rupee	.3650	.3551	.3531	3
Japan	Yen	.4985	.2769	.2755	3.29
Java	Guilder	.4020	.5450	.5483	—
Siam	Baht (Tical)	.4424	.4358	.4335	—
Straits Settlements	Dollar	.5678	.5520	.5504	—
Australia	Pound	4.8666	3.8000	3.7837	3
New Zealand	Pound	4.8666	3.8150	3.7987	2

The Dominion Bureau of Statistics has supplied the following note:—

Dealings in foreign currencies were erratic during the week ended November 21. Sterling continued under heavy pressure and weakness was attributed mainly to the latest anti-Semitic outbreaks in Germany. Both British and United States Equalization Funds were active in stemming the downward trend of the pound. Following an opening quotation of \$4.7539 on November 15, sterling broke sharply to \$4.7296 on the final day of the week under review, a point unequalled since October, 1933. The signing of the Anglo-American trade treaty appeared to have little effect on the pound. Demand for bullion during this interval brought the price of gold at London to a three-year high of 148s. 3d. Revaluation of French gold reserves was followed by a rise of francs against the pound but increasing opposition to the Reynaud recovery program reversed this procedure during the latter half of the week. The Belgian belga and Netherlands florin were steady throughout the week and it was stated a considerable amount of gold was shipped from London to Amsterdam recently. The Canadian dollar firmed moderately during the week and consequently the premium on United States funds receded from $\frac{2}{3}\%$ to $\frac{1}{8}\%$ of 1 per cent between November 15 and 21.

TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

Secretary, Board of Trade—

Saint John, N.B.
Halifax, N.S.
Quebec, P.Q.
Montreal, P.Q.
Toronto, Ont.
Chatham, Ont.

Kitchener, Ont.
Brantford, Ont.
Stratford, Ont.
Woodstock, Ont.
St. Mary's, Ont.
Portage la Prairie, Man.

St. Boniface, Man.
Winnipeg, Man.
Vancouver, B.C.
New Westminster, B.C.

Secretary, Chamber of Commerce—

Sherbrooke, P.Q.
Kingston, Ont.
Oshawa, Ont.
Belleville, Ont.

Peterborough, Ont.
London, Ont.
St. Catharines, Ont.
Hamilton, Ont.

Victoria, B.C.
Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.—

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

Secretary, Canadian Manufacturers Association—

Toronto, Ont.
Montreal, P.Q.

Winnipeg, Man.
Edmonton, Alta.

Vancouver, B.C.
Victoria, B.C.

Director, Trade Extension, Victoria, B.C.

Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.

Commodity	No.	Location of Inquirer	Purchase or Agency
Foodstuffs—			
Canned Vegetables.....	585	New York City, New York	Purchase.
Miscellaneous—			
Canada Balsam.....	586	Lisbon, Portugal.....	Agency.
Senega Root.....	587	Lisbon, Portugal.....	Agency.
Electric Stoves.....	588	Port of Spain, Trinidad....	Agency.
Domestic Automatic Scales.....	589	Northampton, England....	Purchase and Agency.
Varnish, Paint and Enamel.....	590	Nicosia, Cyprus.....	Agency.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Montreal

To Manchester.—Manchester Citizen, Manchester Line, Nov. 28.

To Newcastle and Leith.—Cairnglen, Cairn-Thomson Line, Nov. 30.

To Aberdeen and Huli.—Consuelo, Ellerman's Wilson Line, Nov. 29.

To Antwerp and Havre.—August, County Line, Nov. 29.

To St. John's, Nfld.—Imogene, Shaw Line, Nov. 28 or 29.

From Quebec

To Liverpool.—Montrose, Canadian Pacific, Nov. 29.

From Saint John

To Liverpool.—Montclare, Dec. 2; Duchess of York, Dec. 9; Duchess of Richmond, Dec. 13; Duchess of Atholl, Dec. 15; Montrose, Dec. 23—all Canadian Pacific.

To London.—Beaverbrae, Dec. 1; Beaverburn, Dec. 8; Beaverhill, Dec. 15; Beaverdale, Dec. 22; Beaverford, Dec. 29—all Canadian Pacific.

To Manchester.—Manchester City, Dec. 8; Manchester Division, Dec. 15; Manchester Regiment, Dec. 22; Manchester Port, Dec. 29—all Manchester Line.

To Southampton.—Duchess of Richmond, Canadian Pacific, Dec. 13.

To Avonmouth, Cardiff and Swansea.—Dakotian, Dec. 15; Dorelian, Dec. 31—both Cunard-Donaldson and Dominion Lines.

To Glasgow.—Athenia, Dec. 10; Sulairia, Dec. 21—both Donaldson-Atlantic Line.

To Newcastle and Leith.—Cairnesk (calls at Dundee), Dec. 13; Cairnmona, Dec. 20; Cairnross, Dec. 27; Cairnvalona, Jan. 3—all Cairn-Thomson Line.

To Dublin and Belfast.—Torr Head, Head Line, Dec. 15 (cargo accepted for Cork and Londonderry).

To Hamburg.—Beaverford, Canadian Pacific, Dec. 29.

To Antwerp.—Beaverhill, Dec. 15; Beaverdale, Dec. 22—both Canadian Pacific.

To Marseilles, Genoa, Leghorn, Naples, Messina, Palermo, Gibraltar and Lisbon.—Capo Lena, Capo Line, Dec. 21 (will also call at Cadiz and/or Seville and/or Casablanca if sufficient cargo offers).

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Hawkins, Dec. 7; Lady Drake, Dec. 21; Lady Nelson, Jan. 4—all Canadian National.

To Kingston and Jamaican Outports.—Metapan, Dec. 3; Darien, Dec. 17; a steamer, Dec. 31—all United Fruit Co.

To Brisbane, Sydney, Melbourne and Adelaide.—Kaikoura, Montreal Australia New Zealand Line, Dec. 30.

To Auckland, Wellington, Lyttelton and Dunedin.—City of Glasgow, Montreal Australia New Zealand Line, Dec. 10.

To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Madras, Rangoon, Calcutta and Singapore.—Deebank, Dec. 3; City of Khios, Dec. 14; City of Wellington, Dec. 26—all Canada-India Service.

To Cape Town, Port Elizabeth, East London and Durban.—Bereby, Dec. 15; Mattawin (also calls at Freetown, Lourenco Marques and Beira), Dec. 27—both Elder Dempster Lines Ltd.

From Halifax

To Liverpool.—Newfoundland, Nov. 29; Nova Scotia, Dec. 24—both Furness Line; Montclare, Dec. 3; Duchess of York, Dec. 10; Duchess of Richmond, Dec. 14; Duchess of Atholl, Dec. 16; Montrose, Dec. 24—all Canadian Pacific; Manchester Brigade, Manchester Line, Dec. 29.

To London.—Beaverbrae, Dec. 2; Beaverburn, Dec. 9; Beaverhill, Dec. 16; Beaverdale, Dec. 23; Beaverford, Dec. 30—all Canadian Pacific; Alaunia, Dec. 3; Aurania, Dec. 10; Ascania, Dec. 17; Ausonia, Dec. 23—all Cunard-White Star Line.

To Manchester.—Manchester Progress, Nov. 27; Manchester Citizen, Dec. 1; Manchester City, Dec. 10; Manchester Division, Dec. 17; Manchester Regiment, Dec. 24; Manchester Port, Dec. 31—all Manchester Line.

To Southampton.—Duchess of Richmond, Canadian Pacific, Dec. 14.

To Newcastle and Leith.—Cairnglen, Dec. 2; Cairnesk (also calls at Dundee), Dec. 15; Cairnmona, Dec. 22; Cairnross, Dec. 29—all Cairn-Thomson Line; Bassano, Ellerman's Wilson Line, Dec. 8 (does not call at Leith).

To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.—Gloucester City, Dec. 23; Toronto City, Jan. 11—both Bristol City and Dominion Lines; Dakotian, Dec. 17; Dorelian, Jan. 4—both Cunard-Donaldson and Dominion Lines.

To Aberdeen and Hull.—Bassano, Ellerman's Wilson Line, Dec. 8.

To Glasgow.—Athenia, Dec. 12; Sulairia, Dec. 24—both Donaldson-Atlantic Line.

To Copenhagen and Gdynia.—Pilsudski, Nov. 30; Batory, Dec. 13—both Gdynia-American Line.

To *Antwerp*.—Beaverhill, Dec. 16; Beaverdale, Dec. 23—both Canadian Pacific.

To *Hamburg*.—Beaverford, Canadian Pacific, Dec. 30.

To *St. John's, Nfld.*—Magnhild (also calls at St. Pierre and Newfoundland outports), Newfoundland-Canada SS. Ltd., Nov. 28 and Dec. 15; Newfoundland, Nov. 29; Nova Scotia, Dec. 24—both Furness Line; Fort Amherst, Furness-Red Cross Line, Dec. 5 and 19 (also calls at St. Pierre); Portia, Newfoundland Ry. and SS. Co., Dec. 7 and 23; Belle Isle, Newfoundland-Canada SS. Ltd., Dec. 12, 19 and 26 (also calls at St. Pierre).

To *Hamilton, Nassau, Kingston and Belize*.—Cavelier (calls at Kingston only), Dec. 1; Lady Somers, Dec. 8; Cathcart (calls at Kingston only), Dec. 15; Lady Rodney, Dec. 22—all Canadian National.

To *Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara*.—Lady Nelson, Dec. 1; Lady Hawkins, Dec. 15; Lady Drake, Dec. 29—all Canadian National; Lundy, Ocean Dominion SS. Corp., Nov. 28 (calls at Guadeloupe and Martinique if sufficient cargo offered but not at Nevis or Montserrat).

To *Puerto Rico, Barbados, Trinidad and Demerara*.—Cornwallis, Nov. 28; Chomedy, Dec. 10; Colborne, Dec. 24—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To *Santiago (Cuba) and Kingston (Jamaica)*.—Lillemor, Nov. 30 and Dec. 28; Kirsten B, Dec. 14—both Pickford & Black Ltd. (also call at Jamaican outports as cargo offers).

To *Brisbane, Sydney, Melbourne and Adelaide*.—Kaikoura, Montreal Australia New Zealand Line, Dec. 17 (will also call at Geelong).

To *Auckland, Wellington, Lyttelton and Dunedin*.—City of Glasgow, Montreal Australia New Zealand Line, Dec. 21.

To *Far East Ports*.—Silverwalnut, Silver Line, Dec. 3; Siamese Prince, Furness-Prince Line, Dec. 22.

From Vancouver

To *Yokohama, Kobe and Osaka*.—Hie Maru, Dec. 3; Heian Maru, Dec. 22—both Nippon Yusen Kaisha.

To *Yokohama, Kobe, Shanghai, Hongkong and Manila*.—Empress of Japan (calls at Honolulu), Dec. 10; Empress of Asia (calls at Nagasaki), Dec. 24; Empress of Canada (calls at Honolulu), Jan. 7; Empress of Russia (calls at Nagasaki), Jan. 21—all Canadian Pacific; Talthybius, Blue Funnel Line, Dec. 3 (calls at Miike but not at Manila).

To *Dairen*.—Dallington Court, early December; Anneliese Essberger, middle December—both North Pacific Shipping Co. Ltd.

To *Honolulu, Suva, Auckland and Sydney*.—Niagara, Dec. 21; Aorangi, Jan. 18—both Canadian-Australasian Line.

To *Manila, Iloilo, Cebu, Soerabaya, Samarang, Batavia, Colombo and Bombay*.—Hoegh Silvercrest (calls at Saigon, Singapore and Persian Gulf ports, also at Port Swettenham, Belawan Deli and Penang if cargo offers), Dec. 1; Hopecrest (calls at Belawan Deli, also at Singapore, Port Swettenham and Penang if cargo offers), Dec. 24; Bengkalis (calls at Saigon, Singapore and Persian Gulf ports, also at Port Swettenham, Belawan Deli and Penang if cargo offers), Jan. 1—all Silver-Java Pacific Line.

To *Papeete, Auckland, Wellington and Sydney*.—Hauraki (also calls at Melbourne), Nov. 29; Cape Horn (also calls at Rarotonga, Napier, New Plymouth, Lyttelton and Dunedin), early December—both Canadian-Australasian Line.

To *Brisbane, Sydney, Melbourne and Adelaide*.—Themoni, Dec. 8; Anten, Jan. 25—both Empire Shipping Co. Ltd.

To *London, Liverpool and Rotterdam*.—A steamer, North Pacific Coast Line, Dec. 10 (will call at Southampton if inducements offer).

To *Antwerp, Hamburg and Bremen*.—Donau, Dec. 3; Este, Dec. 22—both North German Lloyd Line; Seattle, Dec. 15; Tacoma, Jan. 2—both Hamburg-American Line.

To *Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam*.—San Mateo, Dec. 6; Fort Royal, Dec. 11; Wyoming, Dec. 24—all Empire Shipping Co. Ltd.

To *Marseilles, Genoa, Leghorn, Naples, Venice and Trieste*.—Cellina, Dec. 4; Leme, Jan. 5—both Empire Shipping Co. Ltd.

To *Cape Town, Port Elizabeth, Durban and Lourenco Marques*.—Silverpalm, Silver-Java Pacific Line, Dec. 6 (calls at Beira, East London and Calcutta, will also call at Colombo and Madras if sufficient cargo offers); Hope Crown, North Pacific Shipping Co. Ltd., end of December.

To *Port of Spain (Trinidad) and Bridgetown (Barbados)*.—A steamer, Canadian Transport Co., end of December.

To *Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain*.—Evanger, Nov. 28; Brandanger, Dec. 27—both Empire Shipping Co. Ltd. (will call at West Coast ports if sufficient cargo offered).

Note.—Firms who desire information concerning ocean and mail services may have their names placed on the mailing list of the Post Office Weekly Bulletin by applying to the Post Office Department.

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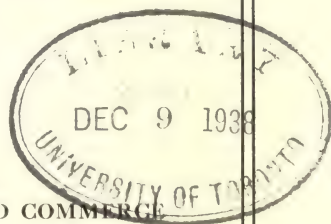
Ottawa, December 3, 1938

No. 1818



Unloading B.C. Douglas Fir and Hemlock off Barge at Brooklyn, N.Y.

ISSUED BY AUTHORITY OF
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE
JAMES G. PARMELEE, DEPUTY MINISTER



CONTENTS

	Page
Trade Agreements with Canada and the United Kingdom proclaimed by President of the United States.....	953
Hosiery and Knitted Goods Industry of the South Midlands..	953
Market for Canned Asparagus in London	958
New Trade Agreements: Pamphlet Available	960
Summary of the Trade of Canada: October	961
Canned Asparagus Market Conditions in Ireland.....	962
Electric Meter Sales in South Africa	963
Trade of British Honduras in 1937	964
Trade of the Middle East, January to June:	
Cyprus	970
Palestine	970
Syria and the Lebanon	972
Iraq	973
Egypt	973
Cranberry Production in the United States.....	975
Business Conditions in Argentina	978
Industrial, Trade, and Economic Trends in Mexico	979
Imports into the United States of Products under the Quota Provisions of the Trade Agreement	981
Tariff Changes and Customs Regulations	981
Tenders Invited: Australia and New Zealand	986
Foreign Exchange Quotations	987
Trade Inquiries for Canadian Products	988
Proposed Sailings from Canadian Ports	988
Commercial Intelligence Service	991

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Ottawa, December 3, 1938

No. 1818

TRADE AGREEMENTS WITH CANADA AND UNITED KINGDOM PROCLAIMED BY PRESIDENT OF THE UNITED STATES

LUMBER MARKING EXEMPTION NOW OPERATIVE

The President of the United States on November 25 proclaimed the trade agreements signed at Washington on November 17 between Canada and the United States and between the United Kingdom and the United States. This proclamation is in accordance with the terms of the respective agreements, as summarized on page 900 of *Commercial Intelligence Journal* No. 1817 (November 26, 1938).

The duty concessions of each agreement, except where otherwise stated, are to become provisionally effective on January 1, 1939, but Article IX of the Canada-United States Agreement relating to exemption from marking of lumber imported into the United States goes into effect provisionally on and after the day following the President's proclamation, that is November 26.

Article IX reads: Sawed lumber and timbers, telephone, trolley, electric-light, and telegraph poles of wood, and bundles of shingles, the growth, produce or manufacture of Canada, imported into the United States of America, shall not be required to be marked to indicate their origin in any case where the imported article is of the same class or kind as articles which were imported into the United States of America in substantial quantities during the five-year period immediately preceding January 1, 1937, and were not required during such period to be marked to indicate their origin.

HOSIERY AND KNITTED GOODS INDUSTRY OF THE SOUTH MIDLANDS

E. L. MCCOLL, CANADIAN TRADE COMMISSIONER

Bristol, November 8, 1938.—The hosiery and knitted goods industry in the South Midlands, as in the rest of the United Kingdom, is divided into three sections: hose, underwear, and outerwear. Some companies make all three classifications, while others confine themselves to one or two of them. In the United Kingdom there are altogether 856 mills employing a total of 130,000 persons. The most important centre is the Midlands, where there are 517 firms and 75,000 employees, including office staffs. Scotland comes second with 171 factories and London third with 29.

FACTORS CONTRIBUTING TO THE EXPANSION OF THE INDUSTRY

The widespread development of sport during the last twenty years has created a demand for knitted garments because of the many advantages which they offer, chief of which is perhaps their elasticity, which allows freedom of movement in such active exercises as are indulged in to-day by all classes. For some time the public was satisfied with staple or standard articles for each kind of

sport, but fashion has penetrated into this field. In some cases, including even swim suits, sports garments made to meet the fashion of one season are obsolete the next. The large number of seaside and inland bathing resorts offers wide scope for artistic innovations in colour, design, and type of stitch. Woven fabrics are now replaced by knitted materials in many articles such as sports coats, beach suits, and other wearing apparel, including dresses for all occasions.

Lighter wearing apparel than formerly is a definite trend of fashion. Less wool and more silk is in demand.

SILK HOSIERY

The lightest hose for which there is any demand is made from two-strand yarn on a 66-gauge machine. These hose are too fragile for everyday wear and too expensive for any but the most exclusive trade.

A Leicester hosiery machinery firm reports that more than thirty of their "as fine as 66-gauge" full-fashioned machines have been ordered by ten of the leading hosiery factories in this country. The popular demand is for a hose of three-strand yarn. Four- and five-strand yarns is considered too heavy for smartness, but as a winter, bad-weather, or rough-wear hose the demand is good. The bulk of the trade prefers a stocking which sells at 2s. Sub-standards are on sale in the retail shops at as low as 9d. and frequently as cheap standards at bargain counters at the same price. It is estimated that a quarter of the trade is in women's hose at from 2s. 6d. to 4s. Three-quarters of the stockings sold are circular or seamless; a considerable proportion of these are, however, mock-fashioned. The foot of the stocking alters to conform to the changing style of shoes. The sandal shoe has produced the slipper or court sole, with its spliced bunion toe. For the most part heels at present are low and square, although preferences alternate frequently between the Cuban, French, pointed, and other shapes.

SPECIFICATIONS AND WHOLESALE PRICES

The following are the general specifications or features of a stocking which is delivered by a manufacturer to the wholesaler's warehouse at 8s. 6d. a dozen. Each pair is contained in a cellophane envelope; without the envelope the price is 8s. 3d. The stocking is made from natural, three-strand silk, circular, 300-needles knit. It has a dull or crepe finish; a shiny appearance is not favoured. It has a slipper sole with old French block heel and a linked toe with bunion splice. The welt is of good-quality cotton, not mercerized, while the toe, heel, and slipper sole is plaited silk. The yarn is not twisted, but is of the same quality as that employed in full-fashioned hose. A somewhat similar but better grade Canadian stocking is offered to wholesalers at 12s. a dozen, delivered, plus a duty of 28% per cent or 8s. per pound, whichever is the greater. This stocking, however, is made on a 260-needle machine, which is not as desirable as one from a 300- or 340-needle machine. An English art hose, similar to the first one described above, is quoted to the wholesaler at 7s. 9d. a dozen. A very cheap art silk stocking at 6s. 6d. a dozen, factory price to the wholesaler, is further described as of 260 needles, circular knit, low square heel. The quality is so poor that there is no demand. Another stocking of 260 needles, art silk plaited on cotton, sells to the wholesaler at 8s. 9d. a dozen pairs.

A Bemberg art silk, full-fashioned, from Czechoslovakia, priced at 12s. 6d. a dozen delivered to the wholesaler, duty paid, is in good demand. The welt has a picot-edge of green art silk yarn of good quality mercerized cotton. The picot is in several colours. The welts of other Czechoslovakian samples have a variety of ornamentation, including designs in inset lace. The sole, toe, and heel of these stockings were silk plaited, not mercerized. The full-fashioned seam is carried along the middle of the sole.

An English natural silk, full-fashioned, gauges from 45 up, three-strand yarn, fine quality mercerized top, slipper sole, spliced bunion toe, and low square heel, sells at 18s. 6d. to 20s. 6d., to retail at 2s. 11d. a pair. A manufacturer of a reverse-knit stocking claims several advantages for his product, including increased durability, absence of lustre, and greater sheerness and clearness.

Manufacturers' prices for seamless art silk hose, covering the main grades, are as follows:—

260 needle, 60 denier to 125, stitched toe.. . . .	7s. 3d.
260 needle, 150 denier, stitched toe.. . . .	7s. 6d.
260 needle, 175 denier, stitched toe.. . . .	8s. 0d.
300 needle, plus 3 per cent on the above prices.	
340 needle, plus 3 per cent on the above prices.	
In all cases a linked toe is 3d. extra.	

Prices of art silk hose, full-fashioned, begin at about 12s. 6d. The most popular denier is around 75, with 39 to 42 gauge; better grades range from 42 to 45 gauge.

Natural silk seamless or circular hose may be bought from the manufacturer at from 8s. 3d. upward. The most popular lines are of three strands and 260 to 340 needles.

Prices of natural silk, full-fashioned, begin at around 18s. 6d. per dozen factory price. These stockings are 39 to 42 gauge and of 3 or 4 strands. The best qualities are in gauges 45 to 48 and 52.

A rough estimate of the proportions, according to factory price, of the various grades sold is as follows:—

Very cheap.. . . .	6s. 6d. per dozen—10 per cent of total
Low medium.. . . .	8s. 6d. per dozen—35 per cent of total
Upper medium.. . . .	18s. 6d. per dozen—35 per cent of total
Good.. . . .	22s. 0d. per dozen—15 per cent of total
High class.. . . .	30s. 0d. per dozen—5 per cent of total

RETAIL PRICES

Art silk seamless sub-standards are on display at 9d. a pair. On the other hand, sub-standard natural silk full-fashioned, in plain sheer, plain super-sheer, or lace clox, are offered at half the regular price—from 2s. 11d. to 5s. a pair. Well-advertised foreign brands, standard qualities, in fine tulle at 6s. 11d. and others of crepe georgette, 54 gauge, at 7s. 6d., are among the better classes of ladies' hosiery sold.

The bulk of the silk stockings retailing at 1s. 11d. are mock-fashioned. There are, however, certain continental brands of art silk full-fashioned hose which sell at 1s. 11d. All stockings priced at from 2s. 11d. upwards are full-fashioned.

A new hosiery development consists in the application to the toe and heel of the sock or stocking of a compound, derived from latex, containing colloiddally dispersed rubber hydrocarbons and other products which combine with the fibres of the wool. The treatment adds considerably to the wearing qualities of the hosiery without detracting from the appearance and softness of the article.

METHODS OF DISTRIBUTION

The bulk of the hosiery sold reaches the retail shop through the wholesaler. The relation between the manufacturer and the wholesaler, while continuing to be important, is undergoing a change. Before fashion became as important as it is to-day, the wholesaler bought heavily and kept large stocks on hand. He maintained a large sales organization, advertised widely, and assumed all the retail credit risks. These arrangements met all requirements. They enabled the manufacturer to devote all his attention to production, and as he was relieved of all retail credit risks and the expenses associated with a sales organization, he could fill wholesale orders at very close prices.

The countless variety of colours, styles, and qualities and the ever-changing mode has made it difficult for many wholesalers to buy as they formerly did. As a general rule, they cannot give as large orders and they are reluctant to carry sizeable stocks of any one kind. The wholesaler generally carries the lines of several manufacturers on account of the demand for certain distinctive features which the garments from one factory have as against those of another, and his purchases of any one kind are necessarily small. Generally speaking, small orders cannot be placed at the lowest prices, and yet, in order to compete, it is imperative for the wholesaler that these small orders, covering a wide variety, receive the same consideration as regards cut prices as former large orders for standard or staple types. Another obstacle to low prices is that to-day the wholesaler requires quick delivery. Bulk orders placed well in advance of delivery allowed the manufacturer to arrange for the right type of yarn at less cost, and setting his machines for a large quantity meant proportionately fewer sub-standards or defectives. The manufacturer is doing his utmost to meet the changed situation and to ensure the wholesaler's still being the principal distributor of his products.

For several reasons a few manufacturers are selling direct to the small shops while, at the same time, protecting the wholesaler by means of discounts based on the size of his orders. They feel that by dealing direct with the retailer they are in closer touch with the market, which is now necessary on account of the continuous change in styles. In general the manufacturer decides or attempts to prompt the fashion, and by direct contact with the retail trade he learns more quickly the reaction of the consumer to his designs as compared with those of other manufacturers. Seasonal and even good-weather rushes must be catered to on short notice, as large stocks are not kept on hand. The explanation of this hand-to-mouth policy is that bad weather might cause a carry-over to the following season, by which time a change in fashion would effect an inevitable loss.

Some manufacturers hand over certain lines exclusively to the wholesale trade, holding others for direct trade with the retailer. This applies especially to staple lines, which can be stocked by the wholesaler in sizeable quantities and which are little affected by changes in fashion. Others appoint a wholesaler to handle their foreign business, while they retain the domestic market for their own organizations.

From the retailer's point of view there is much to be said in favour of trade with the wholesaler as against direct trade with the manufacturer, providing prices are equally attractive. The wholesaler carries samples of the products of several manufacturers and therefore has a wider range from which to choose than the individual factory has to offer. The retailer can secure better market advice, such as information regarding the lines which are selling best in other areas.

The manufacturers' agent may represent several firms in order to carry a large assortment of samples. He sells only to the wholesaler, as he has not the organization to cover the retail trade. He must necessarily confine his efforts to either one or the other.

PIECE-GOODS

Attractive piece-goods are being produced as material for all types of dresses, including evening wear. There is a wide variety of different stitches, weights, and qualities of yarns and colours. The colour card for a certain jersey fabric for evening wear shows 47 shades of that particular kind of material.

MEN'S UNDERWEAR

Combination underwear is not in general use in England; it is imported, but few shops stock it. It might be difficult to find an agent to take up such a line on account of the small amount of business which would be available.

A popular domestic line of men's underwear consists of shirt and drawers and is made of wool with a cotton lining. These suits are of various weights and qualities and with short, half-length, and full-length arms and legs. The delivered price of an average-quality suit to the wholesaler is 15s. 6d. a dozen pieces or 31s. a dozen suits. An all-wool suit of the same relative quality and finish would cost 29s. a dozen pieces or 58s. a dozen suits.

IMPORTS AND EXPORTS

The following are statistics of imports into and exports from the United Kingdom of hose and underwear for the calendar years 1936 and 1937 and for the eight months ended August 31, 1937 and 1938:—

United Kingdom Imports of Hosiery and Underwear

	Quantities				Values			
	1936	1937	Jan.-Aug. 1937	Jan.-Aug. 1938	1936	1937	Jan.-Aug. 1937	Jan.-Aug. 1938
Stockings and hose:								
Cotton—								
British countries, doz. prs.	3,130	115,021	28,494	150,270	£ 520	£ 9,160	£ 2,338	£ 12,612
Germany.. .. doz. prs.	343,781	332,395	228,456	206,374	196,333	190,034	129,890	116,737
Japan.. .. doz. prs.	906,097	1,006,543	819,506	626,944	77,805	94,343	74,488	60,210
Other foreign countries.. .. doz. prs.	38,756	47,758	32,853	77,552	18,875	17,330	12,716	24,664
Total.. ..	1,291,764	1,501,717	1,109,309	1,061,140	£ 293,533	£ 310,867	£219,432	£214,223
Artificial silk—								
British countries, doz. prs.	73	3,244	2,263	2,803	67	1,615	1,191	1,499
Germany.. .. doz. prs.	1,523,646	1,724,900	1,077,549	1,226,331	742,108	835,912	522,531	593,701
Other foreign countries.. .. doz. prs.	484,490	689,382	376,413	623,686	249,983	346,368	187,019	309,342
Total.. ..	2,008,209	2,417,526	1,456,225	1,852,820	£ 992,158	£1,183,895	£710,741	£904,532
Of other materials.. ..	272,882	384,385	235,259	310,061	£ 291,463	£ 388,095	£230,949	£276,337
Fancy and other hosiery, n.e.s.. .. doz. prs.	....	....	....	....	£ 410,259	£ 408,886	£231,487	£172,540
Underwear—								
Cotton and other materials.. .. doz.	653,738	508,680	346,064	244,705	153,288	156,976	102,326	78,143

United Kingdom Exports of Hosiery and Underwear

Stockings and hose—								
Cotton.. .. doz. prs.	262,207	298,918	220,207	143,761	£ 109,022	£ 130,125	£ 92,931	£ 69,521
Wool.. .. doz. prs.	1,323,553	1,471,636	931,888	734,827	771,087	913,175	549,001	445,803
Silk.. .. doz. prs.	94,907	90,410	56,371	52,828	101,071	94,936	57,919	53,293
Artificial silk.. .. doz. prs.	415,701	349,370	236,072	159,532	145,516	119,535	80,684	53,851
Total.. ..	2,101,368	2,210,334	1,444,538	1,090,948	£1,126,696	£1,257,771	£780,535	£622,468
Fancy and other hosiery, n.e.s.—								
Wool.. .. doz. prs.	....	....	....	....	£ 783,764	£ 977,405	£661,218	£528,453
Of other materials, doz. prs.	....	....	....	....	53,885	72,296	50,623	42,056
Total.. ..	....	....	....	....	£ 837,649	£1,049,701	£711,841	£570,509
Underwear—								
Cotton.. .. doz.	555,766	539,822	400,891	302,959	£ 301,493	£ 304,044	£223,896	£180,523
Wool.. .. doz.	172,504	193,567	133,794	95,034	234,344	274,862	178,396	133,323
Of other materials.. .. doz.	277,404	290,473	178,866	146,402	189,104	194,805	121,084	99,629
Total.. ..	1,005,674	1,023,862	713,551	544,395	£ 724,941	£ 773,711	£523,376	£413,475

DUTIES

On stockings and socks made wholly of silk or containing silk components the value whereof exceeds 20 per cent of the aggregate of the values of all the components thereof, the United Kingdom full rate (general tariff) is 43½ per cent ad valorem or 12s. per pound, whichever rate would yield the greater

amount of duty. The Empire preferential rate is 28% per cent or 8s. per pound, whichever higher.

For rates accorded by the United Kingdom to the United States under the new trade agreement to become provisionally effective January 1, 1939, see *Commercial Intelligence Journal* No. 1817.

The above report has been prompted by a trade inquiry for ladies' silk hose and cotton sports ankle socks. The Canadian Trade Commissioner at Bristol will be pleased to receive communications from other interested Canadian exporters.

MARKET FOR CANNED ASPARAGUS IN LONDON

J. H. ENGLISH, CANADIAN TRADE COMMISSIONER

London, November 16, 1938.—It is only in recent years that canned asparagus has become at all widely used in the United Kingdom, and even now it is seldom sold in the poorer class districts. Indeed, it is not well known even amongst the great body of the middle class. This is possibly due to the fact that the cost of fresh asparagus is relatively high and consequently that a taste for this product has not yet been acquired. Asparagus is grown in England but not extensively, so that much of the fresh—as well as all the canned—asparagus used here is imported. Various attempts have been made to can asparagus commercially in England, but they have had little success and at present the industry is very small.

So far as known, no concerted effort has ever been made to popularize canned asparagus in the United Kingdom, although it is said that its sale through one of the larger chains of 6d. shops a few years ago did much to bring it to the attention of certain classes of the public. While distribution is gradually widening, the chief outlets are the better class shops. For instance, a recent intensive retail trade survey which has just been carried out in the Greater London area shows that, of some 300 grocers called upon, over 50 per cent carried in stock no canned asparagus or their sales of it were so small as to be considered as nil. This situation is not necessarily typical of the whole of England, but at least it gives an indication of the position at present.

As stated, the total consumption has been gradually rising throughout the Greater London area, and the prospects are that the trade will continue slowly to expand. This is the opinion expressed by some 66 per cent of the grocers covered during the survey mentioned. They expressed the definite opinion, based on their own experiences, that the sale of canned asparagus as a whole is increasing, in spite of the fact that it is still classed as a luxury product.

IMPORTS

The official trade returns do not classify separately imports of canned asparagus, but undoubtedly the United States is the chief source. There has been a small, but increasing, trade from Canada. The most recent figures of imports from the United States are for the calendar year 1936 when they amounted to 2,908,730 pounds valued at \$359,550. This was a slight decline from the preceding year when the total was 3,152,746 pounds with a value of \$375,359. In 1933 the figure was 3,169,378 pounds valued at \$311,939. Taking an average weight per case of 64 pounds this gives an importation of approximately 45,417 cases in 1936 and 49,260 cases in 1935.

On the other hand, for the past fiscal year exports from Canada to the United Kingdom amounted to 18,315 cases, which is approximately 26 per cent of the total supplied by the two countries. So far as known no other countries shipped canned asparagus to the United Kingdom, although fresh asparagus is imported annually to the extent of 5,000 cwts. from France, Argentina, and other countries.

TYPES SOLD

There are three different types of asparagus offered to the trade in this country: white spears, green tips, and all green. The white spears were at one time used exclusively in the catering trade, but they have now been almost entirely discontinued in favour of "green tips," which are not only of better appearance but more appetizing and attractive in every way. The "all green" variety is relatively new on the market and so far is not extensively known. According to the survey made, the sale of "green tips" at present exceeds "all green" asparagus to the extent of 4 to 1. Of the shops visited during the survey, while nearly 75 per cent carried Canada "all green" asparagus in stock as a matter of course, over 50 per cent considered that the popularity of green tips was gaining much more rapidly than all green, despite the admittedly superior flavour of the all green varieties.

There are several explanations for this situation. First, the "green tips" is the variety chiefly imported from the United States, largely under two or three widely advertised brand names, and has a much more extensive and intensive distribution than the "all green" asparagus, which comes to a considerable extent from Canada. Thus there has developed a taste for "green tips" which can only be superseded by active consumer sampling of the "all green" variety. Consumer demonstrations in retail shops are thus almost indispensable to the wider sale of the latter product.

CREATING A DEMAND

Aside from the hotel trade, which will continue to use "green tips" because of appearance, there appears to be no doubt that the sale of the "all green" variety to the general public can be greatly extended by this means. In fact, the investigation indicated that, when suitable consumer sampling in the retail shops is undertaken, the superior qualities of the "all green" variety are almost invariably apparent and the consumer rarely reverts to the use of "green tips" for the home trade. It showed also that, whenever the "all green" asparagus has been aggressively pushed, its sale has increased enormously. One large London firm, by sampling and by circularizing its customers, has been able to increase the sale of Canadian "all green" asparagus by no less than 400 per cent over a short period.

It is thus evident that the sale of "all green" asparagus can be substantially increased by more aggressive sales methods and better retail distribution. Of course it must be admitted that from the point of view of appearance Canadian "all green" asparagus often suffers in comparison with "green tips." The tenderness of "all green" asparagus naturally makes it more susceptible to breaking, but possibly this difficulty can be overcome to some degree by improved processing. Complaint is also often levelled at Canadian "all green" asparagus because of poor grading—that is, lack of uniformity, of size of spears, and of count per tin. These complaints can be overcome, it is thought, without much difficulty in the factories.

POPULAR SIZES

As with most food products in this market, the smaller sized containers are most popular. With asparagus the 10½-ounce picnic size, and the 1's, containing small or medium spears, are chiefly in demand. These sizes usually contain from 15 to 20, 20 to 30, or 30 to 40 spears per can. There is also some sale for 2's and 2½'s. Round tins are by far the most popular, especially in the small sizes, but there is some call as well for the standard square tin, which has been well known on the market for a number of years.

PRICES

As most of the imported asparagus comes from California, the established California quotations are the controlling factor in prices and the basis upon which most business is done. New pack prices are usually announced by the leading California packers in the summer for forward business, and these are adjusted according to circumstances as the market progresses. During the current season, the California packers opened with prices ranging from \$1.35 to \$1.55 per dozen for 10½-ounce picnics all green, f.o.b. San Francisco. Green tips were about 15 cents per dozen less. One's tall all green ranged from \$1.90 to \$2; green tips from \$1.55 to \$1.60. To these prices had to be added cost of freight and insurance, while usual discounts applied. Canadian prices for all green appear to be in line at about these figures.

TRADE CHANNELS

Most of the trade in canned asparagus is in the hands of a few well-known packers, some of which maintain their own sales and distributing organizations in the United Kingdom. Other firms, however, follow the practice of selling through Eastcheap brokers. In these cases shipments are made direct to the buyer or wholesaler who carries stocks and resells to the retail trade. Most business is done on a basis of cash against documents. Although most of the California packers quote dollar prices f.o.b. United States port of shipment, it should be pointed out that business, especially in a new line, would be facilitated if c.i.f. prices in sterling were quoted to buyers in this country. This is particularly the case with such a product as asparagus, the trade for which is not at present large and for which existing sources of supply apparently are adequate for present needs.

DUTIES

Canned asparagus is dutiable upon importation into the United Kingdom from the United States at 20 per cent ad valorem. (After January 1, 1939, under the United Kingdom-United States Trade Agreement, the rate will be 10 per cent). Canadian asparagus, properly supported by the appropriate certificates of origin, may be imported free of duty. No quotas or other regulations apply, nor are there any special labelling restrictions, but any label descriptions must of course be accurate. Besides, if a brand name is shown—in other words, if the goods carry a label—a mark of origin must be shown, either by giving the name of the producing country, or alternatively indicating "Empire" or "Foreign" as the case may be.

GRADING

The Canadian "all green" asparagus which is being sold in the London market is well liked as such, but criticism has been offered frequently that it is not as well graded as the corresponding product from the United States. This is an important factor which should receive careful consideration. Grading has apparently reached a high standard in the American pack while in addition it is increasingly becoming the practice to indicate clearly on the labels the number of spears contained in each can. This appears desirable and should be emulated by Canadian packers.

NEW TRADE AGREEMENTS: PAMPHLET AVAILABLE

The information, together with appended schedules of tariff changes, covering the trade agreements between Canada and the United States and between the United Kingdom and the United States, published in last week's issue of the *Commercial Intelligence Journal*, has been reprinted in pamphlet form. Copies of the pamphlet may be obtained on application to the Department of Trade and Commerce, Ottawa.

SUMMARY OF THE TRADE OF CANADA : MONTH, TEN MONTHS, AND TWELVE MONTHS ENDING OCTOBER, 1938

(Compiled by External Trade Branch, Dominion Bureau of Statistics)

Main Groups	Month of October, 1938				Ten Months ending October, 1938				Twelve Months ending October, 1938			
	Total Imports	From United Kingdom	From United States		Total Imports	From United Kingdom	From United States		Total Imports	From United Kingdom	From United States	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<i>Imports for consumption</i>												
Agricultural and Vegetable Products.....	12,166,403	1,653,009	3,503,500	104,076,009	13,394,042	40,492,082	130,534,810	17,183,534	48,108,812			
Animals and Animal Products.....	2,121,702	8,231,637	21,247,749	23,842,302	9,148,759	25,063,706	4,667,968	10,605,832				
Fibres, Textiles and Textile Products.....	8,547,009	3,984,542	73,985,529	2,371,889	29,804,017	2,947,853	34,819,996	24,407,689	30,902,771			
Wood, Wood Products and Paper.....	2,901,662	1,380,587	10,451,321	137,539,872	18,898,777	113,373,085	32,879,894	3,658,239	27,010,209			
Iron and its Products.....	12,578,627	1,632,253	2,190,007	32,825,422	4,783,022	77,379,083	172,040,744	24,073,858	141,212,674			
Non-Ferrous Metals and their Products.....	3,492,691	1,554,991	9,191,059	102,324,902	10,775,078	20,793,428	40,760,140	6,116,838	22,771,500			
Non-Metallic Minerals and their Products.....	12,180,321	1,266,104	2,410,988	28,801,742	5,699,252	18,479,428	35,801,888	13,028,085	95,130,083			
Chemicals and Allied Products.....	4,399,534	992,617	2,410,988	42,256,197	6,054,985	31,803,408	50,225,062	7,311,395	22,700,512			
Miscellaneous Commodities.....	5,490,811	697,829	4,308,413	599,861,699	101,221,007	357,903,594	703,027,242	6,989,416	37,325,532			
Totals, 1938.....	63,908,940	11,589,139	38,488,813	675,130,782	123,628,050	400,280,167	794,296,092	124,884,508	439,128,375			
1937.....	82,112,749	13,777,630	47,827,298	775,130,782	101,976,650	301,230,723	610,552,149	144,622,094	377,190,057			
1936.....	65,158,561	12,545,937	35,926,563	516,024,934	101,976,650	301,230,723	610,552,149	122,094,356	351,310,554			
<i>Exports (Canadian Produce)</i>												
Agricultural and Vegetable Products.....	28,610,940	14,799,003	4,801,270	146,925,581	83,399,902	21,632,827	199,914,476	117,178,258	28,207,080			
Animals and Animal Products.....	11,032,547	6,867,169	2,839,300	95,335,890	60,551,698	23,505,392	117,185,321	73,963,434	28,623,817			
Fibres, Textiles and Textile Products.....	1,106,759	3,107,653	14,219,191	173,925,593	31,609,226	114,501,170	218,954,789	3,514,485	1,711,192			
Wood, Wood Products and Paper.....	20,253,300	8,172,222	16,751,890	51,589,908	11,801,527	3,412,469	61,981,027	40,213,954	144,121,057			
Iron and its Products.....	3,422,243	8,804,274	2,557,559	218,114,534	77,905,437	95,993,140	255,993,140	14,632,899	4,185,041			
Non-Ferrous Metals and their Products.....	31,620,316	3,804,820	1,167,548	20,088,708	2,560,235	9,671,508	25,491,078	98,809,153	107,750,089			
Non-Metallic Minerals and their Products.....	2,442,284	580,997	554,010	16,458,585	4,101,733	6,809,402	19,750,309	3,337,858	12,904,845			
Chemicals and Allied Products.....	1,850,851	270,764	705,551	17,124,650	3,626,985	7,970,819	19,745,379	5,242,937	7,884,014			
Miscellaneous Commodities.....	1,314,545	35,842,953	41,445,701	750,734,941	278,217,499	285,034,942	955,079,405	4,165,543	9,423,856			
Totals, 1938.....	101,633,805	102,747,226	40,970,302	925,847,687	321,748,423	410,680,176	1,144,869,391	381,069,551	344,535,812			
1937.....	110,998,708	47,767,913	44,582,810	796,159,731	311,837,601	329,455,805	967,742,508	409,741,807	496,883,037			
1936.....								379,791,914	392,450,652			
<i>Exports (Foreign Produce)</i>												
Totals, 1938.....	1,084,974	187,787	815,089	41,413,702	23,581,698	9,371,900	43,425,753	23,757,154	10,653,739			
1937.....	937,162	63,926	754,042	12,808,810	1,121,098	10,642,782	16,035,891	1,275,051	13,435,526			
1936.....	2,094,072	66,912	1,878,047	9,469,438	764,398	8,089,495	12,816,449	927,332	11,146,896			
<i>Excess of Imports (s) or all Exports (e)</i>												
Totals, 1938.....	(e) 38,809,839	(e) 24,441,601	(e) 3,771,977	(e) 222,336,044	(e) 200,578,190	(e) 63,408,722	(e) 274,874,915	(e) 251,942,107	(e) 83,038,824			
1937.....	(e) 21,571,639	(e) 26,664,211	(e) 6,102,954	(e) 203,525,715	(e) 199,241,441	(e) 12,042,793	(e) 336,692,540	(e) 296,394,204	(e) 33,133,506			
1936.....	(e) 47,844,219	(e) 35,288,868	(e) 10,534,254	(e) 289,604,235	(e) 210,625,349	(e) 27,314,135	(e) 370,093,808	(e) 253,587,890	(e) 52,283,994			

CANNED ASPARAGUS MARKET CONDITIONS IN IRELAND

JAMES CORMACK, CANADIAN TRADE COMMISSIONER

Dublin, November 8, 1938.—Canned asparagus is not listed separately in the Free State statistics, so it is impossible to state accurately the quantity or value of the annual imports of this commodity into Ireland. A check on sales with firms in the trade, however, shows that they are small, sales in Ireland amounting only to about 1,000 cases a year.

There appears to be just one way of expanding the Irish market. This is by reducing the cost of the commodity, which is rated here as distinctly a luxury vegetable. A can of asparagus retails usually at 3s. 6d. in Ireland. In an effort to create some demand for canned asparagus the price has lately been cut to 3s. In the United Kingdom a similar can retails for about half the latter price.

At present the United States is the sole country supplying canned asparagus to the Irish market. Californian asparagus is regarded as the cheapest and best. Asparagus is not produced in commercial quantities in Ireland, so Irish asparagus is not a factor in the trade. Fresh asparagus in bundles from England and the Continent appears occasionally on the Irish market in spring and summer, but it is expensive and not much in demand.

PACKS AND PRICES

Canned asparagus is commonly offered for sale in the stores here in only two sizes of cans: 2½'s containing 1 pound 15 ounces and "picnics" containing 8 ounces net. These are packed 24 and 48 to the case respectively, and sell roughly in equal quantities. The larger size contains large green or Californian Mammoth asparagus, while the smaller size contains tips.

Present quotations on American asparagus to wholesalers are as follows: 2½'s, 10s. per dozen; "picnics," 5s. 6d. per dozen, both c.i.f. Dublin.

Canned vegetables of all kinds, including asparagus, are usually sold sight draft or for cash.

CUSTOMS DUTIES

Canned asparagus enters Ireland free of quotas and licences but is subject to an import duty of 4d. per pound or fraction thereof when imported from Empire countries and of 6d. per pound or fraction thereof when imported from the United States and other foreign countries. In addition there is a package duty of 1d. per pound or fraction thereof with a minimum of 2d. from all countries except Canada and the United Kingdom.

CHANNELS OF TRADE

At present there are only three foreign firms sharing the available business and each has a separate method of handling its lines. One firm has its own resident agent in Dublin. Another sells through one wholesale and retail grocery house with branches in Dublin and vicinity, to which its sales are confined. The third sells through a local commission agency firm which will handle any line, provided it is competitive, and which sells to wholesalers only on a 2½ per cent commission basis.

CANADIAN PROSPECTS

In the past Canadian offerings have been slightly dearer than American, even taking into consideration the tariff preference, and agents have not been interested in them. It can be readily seen that with 2½ per cent commission and the restricted volume of sales agents would not feel it worth while making

the intensive efforts necessary to introduce a new brand. Some special inducement would have to be offered to local agents—say a selling commission of 5 per cent, with a competitive price. If any Canadian exporter is prepared to extend business to this market and submit samples, competitive prices, and any trading inducement, this office will be glad to put him in touch with a suitable local agent.

ELECTRIC METER SALES IN SOUTH AFRICA

G. R. HEASMAN, CANADIAN TRADE COMMISSIONER

Cape Town, October 31, 1938.—Due to the tremendous amount of building in the Union of South Africa in recent years imports of electric meters have shown a steady increase. Whereas imports of electric meters in 1931 were valued at just over £28,000, last year they had increased to a value of £62,000. Canada's share of these imports has been of small proportions. The bulk of South African imports have come from the United Kingdom. Germany has held second place as a source of supply and last year showed a substantial increase.

Values of imports of meters for 1937, 1936, 1935, and 1931 by supplying countries are as follows:—

	1937	1936	1935	1931
Total..	£62,270	£50,898	£49,641	£28,243
United Kingdom..	51,164	44,422	45,935	24,248
Canada..	1,922	1,804	141	172
Germany..	7,199	3,284	3,220	3,130
United States..	1,665	166	35	109

CUSTOMS DUTIES

Electric meters of less than 50 amperes enter free from the United Kingdom but pay a duty of 2s. 6d. each from all other countries. Meters of 50 to 100 amperes inclusive are free from the United Kingdom but dutiable at 5s. each from all other countries. Electric meters above 100 amperes are free from the United Kingdom but pay a duty of 10s. each from all other countries.

The tariff undoubtedly has been a major factor in directing South African purchasing of meters to the United Kingdom. At the same time, the difference in price between American meters and United Kingdom or German meters has been far in excess of the tariff preference existing in favour of the United Kingdom.

MUNICIPAL PURCHASING

Meters are purchased almost entirely by the municipalities. The larger municipalities at least, such as Cape Town, Johannesburg, and Durban, purchase them by calling for tenders, and tenders issued by these cities call for quantities ranging up to as high as 5,000.

Probably due to the large increase in the use of electrical appliances in South Africa of late years, practically all homes are wired for 3-phase meters. Cape Town specifications for 3-phase meters, for instance, are usually for 15 amperes, 220-380 volts, 4-wire, to carry not less than 150 per cent load continuously. The type is known as an A.C. 3-phase, 3-element, 50-cycle, 220-380 volts. This is the most usual type of meter called for, and it sells for about £3 per meter, delivered to the municipalities.

Single-phase meters, of which much smaller quantities are used, would have to land in South Africa at a price that would enable them to be sold for about 18s. each. Meters must comply with British standard specifications.

TENDERS

Some details taken from a recent tender for meters will supply an idea of the type acceptable in South Africa. This tender specifies that the meters must,

in addition to possessing the more common requirements, have the worm of the main spindle made of a suitable alloy so that it does not corrode, that the pivot of the main spindle must be of highly polished and hardened steel and its bearing of an approved type. Both the pivot and the bearing must be easily detachable for renewal or inspection. The terminal boxes of all meters must be capable of being sealed and must not be included in the meter case proper. All terminals must be clearly marked and must be separated from each other by insulating division walls. A diagram of all connections must be affixed to the inside of the terminal cover. The meters must be so adjusted that they will not register without current passing through the series winding with an increase in voltage on the shunt coil of 10 per cent above normal. The accuracy of the meters should not be appreciably affected by voltage fluctuations not exceeding 10 per cent above or below normal pressure. Tenderers must guarantee a number of stated particulars such as the percentage accuracy, the starting current per element in amperes, weight of moving element in grams, and other important particulars. The permanent magnets must be properly aged and their retentivity should not be affected by the passage of a short circuit current through the meter.

Before a tender for meters would be accepted the firm tendering would need first of all to have its meters previously approved, and such approval could only be obtained through having had meters in the country on test.

TRADE OF BRITISH HONDURAS IN 1937

F. L. CASSERLY, OFFICE OF THE CANADIAN TRADE COMMISSIONER

(The British Honduras currency is based on the United States gold dollar. Values of imports are c.i.f.; those of exports are f.o.b.)

I. Imports

Kingston, Jamaica, October 29, 1938.—The total c.i.f. value of imports into British Honduras during the calendar year 1937 was \$3,981,249 as compared with \$3,272,833 in 1936 and \$2,676,795 in 1935. The remarkable and gratifying increase shown by these figures is attributable to the progressive policy of the colony's Government, which has steadily and successfully endeavoured during the past few years to increase production and exports, with the object of improving the buying power of the people and consequently the volume and value of imports. The value of total imports increased by about 50 per cent between 1935 and 1937.

CHIEF INCREASES AND DECREASES

In 1937 the percentage of total imports coming from British Empire sources was 34.66 as compared with 38.81 in 1936 and 41.11 in 1935. The main reasons for this decline are the proximity of British Honduras to the United States and Mexico and the fact that her currency is based on the United States gold dollar.

The chief recorded increases in imports over those of 1936 were: United Kingdom in butter substitutes, cotton piece-goods, lard, iron roofing, woollen piece-goods; Canada in motor tires, hosiery; Hongkong in wearing apparel, hosiery; Argentina in preserved meats; Holland in condensed milk; Honduras in cattle and mules; Japan in artificial silk piece-goods; Mexico in beans, peas, fuel oil and chicle; United States in motor trucks, tractor parts, flour, implements and tools, electric lighting machinery, preserved meats, iron and steel bars and rods, fuel oil, soap, and leaf tobacco.

Imports of flour and sugar from the United Kingdom, of unspecified industrial machinery from Germany, of alcohol and butter substitutes from Holland,

and of trucks and trailers for mahogany production and agricultural operations from the United States decreased. The decrease in sugar imports was due to restrictions imposed to protect the local industry, while the decline in butter substitutes and flour from Holland and the United Kingdom respectively was offset by increased importations of those commodities from other countries.

In 1937 the value of government imports from the United Kingdom was \$71,166 as compared with \$137,684 in 1936, a decrease of \$66,518. Apart from these imports, there was an increase in imports from the United Kingdom of over 9 per cent in 1937 in comparison with 1936.

The revenue from import duties in 1937 amounted to \$498,117, or \$80,377 more than during the previous year.

NOTES ON IMPORTANT ITEMS OF IMPORT

Wearing Apparel.—Imports under this heading, comprising neckties, collars, shirts, vests, singlets, and other items of men's wear, as well as all kinds of women's (except hats, hosiery, boots and shoes) totalled \$91,576 in value in 1937, \$69,734 in 1936 and \$55,301 in 1935. Canada's share of this trade was \$5,374 in 1937 (\$4,180 in 1936), that of Hongkong \$34,115, of the United States \$24,176, of Japan \$13,945, and of the United Kingdom \$9,008.

The improvement in Hongkong's position in this business is shown by the fact that in 1934 her share was only \$88; in 1935 it rose to \$6,614, and in 1936 to \$17,311, the last-named figure being almost doubled in 1937. In that year, as compared with 1936, imports from the United States and Japan increased moderately, and those from the United Kingdom showed a moderate decline. In both years Hongkong was the largest and Japan the second largest supplier of shirts, vests, singlets and other articles of men's underwear.

Boots and Shoes.—Imports of these articles again rose both in volume and value. The United Kingdom continued to be the chief source of supply of leather boots and shoes, although not to the same extent as in 1936, having lost in the former year some ground to Canada, shipments from which in 1937 were approximately thrice as great in volume and value as those in 1936. Total imports of leather boots and shoes in the year under review were 4,865 dozen pairs valued at \$71,752, of which the United Kingdom supplied 3,969 dozens (\$52,920); Canada, 401 dozens (\$9,064)—almost entirely women's and children's shoes; the United States, 224 dozens (\$4,775); Hongkong, 134 dozens (\$2,315); and Czechoslovakia, 90 dozens (\$1,631). Included in these imports are insignificant quantities of leather or imitation leather shoes with rubber soles.

In boots and shoes entirely of rubber or with canvas uppers and rubber soles (which are the principal kind imported), Canada continued to hold first place, but whereas Hongkong was a close second in 1936 she was superseded (in quantity but not in value) in 1937 by British India, whence imports were then almost thrice in quantity and rather more than twice in value those of the preceding year. Total imports of both kinds in 1937 were 6,117 dozen pairs valued at \$32,311, of which Canada shipped 1,991 dozens (\$13,986); British India, 1,615 dozens (\$4,423); Hongkong, 1,382 dozens (\$5,478); the United Kingdom, 464 dozens (\$3,194); and Czechoslovakia, 375 dozens (\$2,842). In 1936 imports from all sources totalled \$26,446 in value. A feature of this trade in recent years has been the appearance of cheap shoes from British India.

Cement.—Figures for imports of cement into British Honduras during the past five years are noteworthy. Total quantities, with values in parentheses, were as follows: 1932, 7,970 barrels of 400 pounds (\$14,870); 1933, 6,513 barrels (\$15,558); 1934, 669 tons (\$11,652); 1935, 998 tons (\$11,864); 1936, 1,185 tons (\$12,764); 1937, 1,173 tons (\$14,469). Imports from Canada during these years were respectively: 2,831 barrels (\$4,502); 1,325 barrels (\$3,726); 279 tons (\$4,790); 202 tons (\$3,060); 25 tons (\$362), and nil. Of the 1937

imports not quite 75 per cent was supplied by the United Kingdom and the remainder by the United States.

Cotton Piece-goods.—Imports increased in 1937, totalling 1,764,432 lineal yards valued at \$187,057, of which the United Kingdom supplied about 70 per cent. Canada's share of this business was 18,141 lineal yards (\$6,174).

Flour.—Imports of this commodity were slightly greater in volume and considerably so in value in 1937 than in 1936. In the former year purchases from the United Kingdom declined considerably and Canada became the chief source of supply. The reduction in import duty on foreign flour from \$1 to \$0.75 per 196 pounds, effective as from September 11, 1936, resulted in increased importations from the United States during the year under review, when the total from all sources was 34,655 bags of 196 pounds valued at \$218,079, of which Canada shipped 13,175 bags (\$88,827); the United Kingdom, 11,517 bags (\$74,290); and the United States, 9,963 bags (\$54,962). In 1936, of a total of 33,704 bags, the United Kingdom supplied 20,055, Canada 13,049, and the United States 574.

Gasoline.—The 1937 imports, totalling 611,835 gallons worth \$112,428, were more than one-third larger than in 1936 and almost double those of 1935—a striking indication of the development of production and trade in this period. The boom in the mahogany and banana industries, resulting in a greater demand for haulage, was the chief cause of the larger imports of gasoline, of which, as before, Mexico and the United States were the principal suppliers.

Lumber.—Imports of dressed lumber in 1937 totalled 92,525 cubic feet valued at \$50,823 as compared with 79,323 cubic feet (\$38,440) in 1936. The United States supplied 88,906 cubic feet; Canada 1,654 cubic feet; the United Kingdom 577 cubic feet; and Hawaii, 388 cubic feet. Since 1933, when she was credited with about 25 per cent of this trade, Canada's share has progressively declined.

Sugar.—Imports of refined sugar in the year under review totalled 15,367 cwts. (of 112 pounds) valued at \$39,239 as against 25,009 cwts. (\$53,762) in 1936, of which the United Kingdom supplied 15,004 cwts. (\$38,287); Cuba, 317 cwts. (\$697); Canada, 45 cwts. (\$242); and the United States the small remainder. Prior to 1933 Canada was the largest supplier, a position since held by the United Kingdom.

It may be expected that imports will decline to modest dimensions, as a sugar factory began operations in 1937 at Corozal, and following the practice in Jamaica for many years past, the local industry is rigidly protected. As from January 30, 1937, imports of sugar into British Honduras have been prohibited except under licence from the Sugar Control Board. Licences are issued only for manufacturing purposes, e.g., aerated waters.

Tobacco.—Expansion of the local cigarette manufacturing industry resulted in increased imports of leaf tobacco during the year under review over those of 1936. In 1937 imports totalled 86,910 pounds valued at \$18,028, of which practically all came from the United States. In 1935 Canada was the largest supplier. Despite competition from the domestic product, imports of cigarettes again increased; the total was 22,272 pounds in 1937, 19,022 pounds in 1936, and 6,038 pounds in 1935. In 1937 there were small imports of cigars, chiefly from Jamaica and Mexico; and of unspecified manufactured tobacco chiefly from the United States and the United Kingdom. This included tobacco for pipe and chewing use.

DIRECTION OF TRADE

The following table shows the direction of the import trade of British Honduras during the past five years:—

From	1933		1934		1935		1936		1937	
	\$	%	\$	%	\$	%	\$	%	\$	%
United States	633,900	37.57	684,776	35.84	746,257	27.83	950,397	29.03	1,236,603	31.06
Canada	326,433	19.35	200,610	10.52	263,719	9.85	268,679	8.21	325,993	8.19
United Kingdom	418,511	24.81	466,733	24.44	731,396	27.32	872,252	26.65	873,759	21.94
Other British possessions..	48,578	2.88	49,675	2.62	135,370	5.14	129,463	3.95	180,258	4.53
Mexico	78,978	4.67	284,344	14.81	528,529	19.74	734,273	21.82	900,176	22.61
Other foreign countries ..	180,712	10.72	226,237	11.77	271,524	10.07	317,769	10.34	464,460	11.67
Total	1,687,112	100.00	1,912,375	100.00	2,676,795	100.00	3,272,833	100.00	3,981,249	100.00

IMPORTS BY CATEGORIES

Divided into the British Board of Trade categories, the import trade of British Honduras during the past five years was as below:—

Food, drink and tobacco	\$ 713,735	\$ 646,351	\$ 826,411	\$ 923,464	\$ 1,129,114
Raw materials and articles mainly un-manufactured	215,538	289,690	502,934	679,026	813,702
Articles wholly or mainly manufactured	754,667	974,642	1,340,584	1,665,614	2,032,732
Miscellaneous ¹	3,172	1,692	6,866	4,729	5,701
Total	\$1,687,112	\$1,912,375	\$2,676,795	\$3,272,833	\$3,981,249

¹ Includes animals and birds not for food, and bullion and specie.

PRINCIPAL IMPORTS FROM CANADA

The principal imports from Canada into British Honduras during 1937 are listed below in descending order of value, together with total imports of the several articles and particulars of imports from other countries of origin.

Wheat Flour.—Total, 34,655 bags of 196 pounds (\$218,079): Canada, 13,175 bags (\$88,827); United Kingdom, 11,517 bags (\$74,290); United States, 9,963 bags (\$54,962).

Meat: (a) Pork, Mess in Barrels.—Total, 1,423 cwt. (\$20,868): Canada, 1,093 cwt. (\$16,579); Argentina, 330 cwt. (\$4,289).

(b) Pork, Other in Barrels.—Total, 1,892 cwt. (\$22,886): Canada, 1,221 cwt. (\$14,212); United States, 346 cwt. (\$5,130); Argentina, 325 cwt. (\$3,544).

(c) Bacon and Ham.—Total, 818 cwt. (\$20,457): Canada, 494 cwt. (\$12,845); Argentina, 182 cwt. (\$3,883); United States, 62 cwt. (\$1,800); United Kingdom, 67 cwt. (\$1,594); Denmark, 12 cwt. (\$309).

(d) Beef Salted in Barrels.—Total, 1,897 cwt. (\$21,554): Canada, 786 cwt. (\$9,217); United Kingdom, 772 cwt. (\$8,906); Argentina, 310 cwt. (\$3,148); small remainder from Uruguay and the United States.

(e) Canned or Bottled.—Total, 2,732 cwt. (\$42,860): Argentina, 1,622 cwt. (\$20,426); United States, 702 cwt. (\$14,208); Denmark, 132 cwt. (\$2,846); Canada, 56 cwt. (\$1,205); Brazil, 64 cwt. (\$880); United Kingdom, 29 cwt. (\$814).

(f) Fresh.—Total, 22 cwt. (\$710), entirely from Canada; imported in cold storage.

Boots and Shoes: (a) With Canvas Uppers and Rubber Soles.—Total, 5,831 dozen pairs (\$27,707): Canada, 1,889 dozens (\$12,240); Hongkong, 1,374 dozens (\$5,344); British India, 1,615 dozens (\$4,423); United Kingdom, 380 dozens (\$2,044); Czechoslovakia, 300 dozens (\$1,960); British Malaya, 259 dozens (\$1,629).

(b) Leather.—Total, 4,457 dozen pairs (\$67,665): United Kingdom, 3,660 dozens (\$50,437); Canada, 396 dozens (\$8,949); United States, 131 dozens (\$3,286); Hongkong, 134 dozens (\$2,315); Czechoslovakia, 89 dozens (\$1,613). Imports from Canada were mainly women's.

(c) Wholly of Rubber.—Total, 285 dozen pairs (\$4,604): Canada, 102 dozens (\$1,746); United Kingdom, 83 dozens (\$1,550); Czechoslovakia, 74 dozens (\$882); small remainder from the United States and Hongkong.

(d) Imitation Leather.—Total, 407 dozen pairs (\$4,087): United Kingdom, 309 dozens (\$2,843); United States, 93 dozens (\$1,489); Canada, 5 dozens (\$115).

Cheese.—Total, 1,445 cwt. (\$29,100): Canada, 785 cwt. (\$16,297); Holland, 616 cwt. (\$11,856); Denmark, 38 cwt. (\$670).

Motor Trucks.—Total, 47 units (\$55,898): United States, 21 units (\$28,379); United Kingdom, 11 units (\$16,208); Canada, 15 units (\$11,311). This heading does not include vehicles for use in agriculture and lumbering.

Motor Tires and Tubes.—Total, 1,736 in number (\$10,438): Canada, 1,281 (\$7,812); United States, 296 (\$1,510); remainder from Czechoslovakia and the United Kingdom.

Motor Cars.—Total, 21 units (\$13,770): United States, 15 units (\$9,903); Canada, 3 units (\$2,303); United Kingdom, 3 units (\$1,564).

Motor Car and Motor Truck Parts.—Total, \$10,845: Canada, \$208.

Tractor Parts.—Total, \$77,822: Canada, \$97.

Unspecified Vehicles and Parts.—Total, \$1,645: Canada, \$81.

Lumber and Farm Trucks and Trailers.—Total, \$74,079: Canada, \$70.

Milk, Preserved, Unskimmed (a) Sweetened.—Total, 15,022 cwt. (\$109,002): Holland, 11,966 cwt. (\$86,387); United Kingdom, 864 cwt. (\$7,026); Canada, 862 cwt. (\$6,843); Denmark, 888 cwt. (\$6,506); United States, 408 cwt. (\$1,989).

(b) Unsweetened.—Total, 4,209 cwt. (\$33,755): Holland, 3,320 cwt. (\$25,889); Denmark, 355 cwt. (\$2,702); Canada, 257 cwt. (\$2,353); Norway, 223 cwt. (\$2,085).

(c) Powdered.—Total, 137 cwt. (\$4,091): Canada, 56 cwt. (\$2,148); United States, 12 cwt. (\$703); Holland, 35 cwt. (\$626); Denmark, 34 cwt. (\$614).

Paper Manufactures, Unspecified.—Total, \$27,792: Canada, \$8,822; United States, \$7,552; United Kingdom, \$4,783; Denmark, \$3,539; Norway, \$1,430.

Newsprint.—Total, 230 cwt. valued at \$1,044: Canada, 6 cwt. (\$22).

Metal Goods: (a) Iron and Steel Nails, Spikes, Rivets, and Wire.—Total, 53 long tons (\$6,966): Canada, 30 tons (\$3,906); United Kingdom, 13 tons (\$1,635); United States, 9 tons (\$1,249); Belgium, 1 ton (\$76).

(b) Metal Manufactures, Unspecified.—Total, \$23,554: United States, \$13,434; United Kingdom, \$7,223; Canada, \$2,323.

(c) Iron and Steel Bars and Rods.—Total, 196 long tons (\$15,575): United States, 126 tons (\$11,022); United Kingdom, 57 tons (\$3,488); Canada, 10 tons (\$875).

(d) Wire Gauze for Screening.—Total, \$1,187: Canada, \$478; United Kingdom, \$399; United States, \$310.

(e) Rafting Chains and Timber Dogs.—Total, \$18,955: United States, \$11,785; United Kingdom, \$6,773; Canada, \$397.

(f) Barbed Wire, Hog Fencing and Staples.—Total, 673 cwt. (\$3,605): United States, 351 cwt. (\$1,810); Belgium, 100 cwt. (\$469); United Kingdom, 85 cwt. (\$820); Germany, 84 cwt. (\$258); Canada, 53 cwt. (\$248).

Fish: (a) Canned.—Total, 1,415 cwt. (\$16,340): Canada, 635 cwt. (\$7,509); Japan, 436 cwt. (\$4,269); United States, 236 cwt. (\$2,797)

(b) Dried, Salted, Smoked, or Pickled.—Total, 339 cwt. (\$3,002): Canada, 53 cwt. (\$520). Norway was the largest supplier.

Hosiery: (a) Silk and Rayon.—Total, 7,302 dozen pairs (\$14,466): Canada, 1,502 dozen pairs (\$5,889); Hongkong, 3,436 dozen pairs (\$3,690); United Kingdom, 2,036 dozen pairs (\$3,398); United States, 267 dozen pairs (\$1,209).

(b) Cotton.—Total, 3,115 dozen pairs (\$3,258): Hongkong, 2,413 dozen pairs (\$1,834); United Kingdom, 514 dozen pairs (\$832); Canada, 129 dozen pairs (\$409).

Cotton Manufactures: (a) Piece-goods.—Total, 1,764,432 lineal yards (\$187,057): Canada, 18,141 yards (\$6,174).

(b) Other.—Total, \$38,539: Canada, \$885. The United Kingdom was the largest supplier of the goods included in this and the former category.

Hardware: (a) Unspecified.—Total, \$32,539: United States, \$19,639; United Kingdom, \$8,558; Canada, \$3,109.

(b) House, Office, or Store Furniture of Iron or Other Metal.—Total, \$12,453: United States, \$7,602; United Kingdom, \$2,270; Canada, \$1,573. These imports do not include aluminium or enamel ware.

(c) Typewriters, Adding Machines, and Parts.—Total, 55 units (\$3,322): United States, 34 units (\$2,083); Canada, 12 units (\$1,006); United Kingdom, 8 units (\$200); Japan, 1 unit (\$33).

Wearing Apparel: (a) Shirts, Vests, Singlets, and Men's Underwear, Other.—Total, 13,989 dozen (\$53,081): Hongkong, 10,143 dozen (\$30,906); Japan, 1,738 dozen (\$8,974); United States, 580 dozen (\$4,416); Jamaica, 673 dozen (\$3,174); Canada, 471 dozen (\$2,867); United Kingdom, 342 dozen (\$2,346).

(b) Unspecified.—Total, \$36,039: United States, \$18,748; United Kingdom, \$6,260; Japan, \$4,948; Hongkong, \$2,912; Canada, \$2,229.

(c) Neckties and Collars.—Total, 1,408 dozen (\$2,456): United States, 510 dozen (\$1,012); United Kingdom, 184 dozen (\$402); Czechoslovakia, 90 dozen (\$344); Hongkong, 48 dozen (\$297); Canada, 135 dozen (\$278).

Implements and Tools: (a) Unspecified.—Total, \$25,674: United States, \$15,826; Canada, \$4,480; United Kingdom, \$4,166.

(b) Agricultural.—Total, \$14,274: United States, \$7,213; United Kingdom, \$5,634; Canada, \$774; Sweden, \$653.

Provisions, Unenumerated.—Total, \$33,366: United States, \$19,567; United Kingdom, \$7,271; Canada, \$4,827. This group includes a fairly wide variety of foodstuffs not separately classified in the trade returns.

Medicines and Drugs, Unspecified.—Total, \$54,003: United States, \$32,369; United Kingdom, \$13,289; Canada, \$4,698; Germany, \$1,989. These were patent and proprietary medicines.

Butter.—Total, 590 cwt. (\$19,580): Australia, 302 cwt. (\$10,168); Canada, 114 cwt. (\$4,399); Argentina, 110 cwt. (\$2,736); New Zealand, 30 cwt. (\$987); United Kingdom, 19 cwt. (\$777).

Poultry Feed, Medicines and Supplies.—Total, \$4,830: Canada, \$4,143; United States, \$373; United Kingdom, \$323.

Tea.—Total, 487 cwt. (\$24,822): Ceylon, 183 cwt. (\$9,367); United Kingdom, 180 cwt. (\$9,141); Canada, 76 cwt. (\$3,957); British India, 41 cwt. (\$2,149).

Potatoes.—Total, 3,000 cwt. (\$8,567): Canada, 1,105 cwt. (\$3,095); Holland, 968 cwt. (\$2,922); United States, 870 cwt. (\$2,397); Ireland, 57 cwt. (\$153).

Wooden Furniture.—Total, \$6,000: United States, \$2,901; Canada, \$2,404; United Kingdom, \$400.

Lard and Substitutes.—Total, 5,357 cwt. (\$64,947): United Kingdom, 4,538 cwt. (\$52,629); United States, 510 cwt. (\$7,601); Argentina, 153 cwt. (\$2,372); Canada, 136 cwt. (\$2,164).

Ammunition.—Total, 338,850 rounds (\$7,190): United States, 157,000 rounds (\$3,043); United Kingdom, 89,000 rounds (\$2,132); Canada, 92,850 rounds (\$2,015).

Haberdashery and Millinery.—Total, \$29,687: United States, \$13,165; United Kingdom, \$9,503; Canada, \$1,992; Japan, \$1,953.

Confectionery.—Total, 1,359 cwt. (\$27,573): United States, 633 cwt. (\$14,182); United Kingdom, 625 cwt. (\$11,353); Canada, 92 cwt. (\$1,743). These imports included syrups for flavouring.

Stationery.—Total, \$14,667: United Kingdom, \$7,241; United States, \$5,217; Canada, \$1,726. Paper and printing ink are not included under this heading.

Bags, Trunks, and Valises.—Total, 1,440 in number (\$3,023): Canada, 578 (\$1,627); United Kingdom, 647 (\$916); United States, 202 (\$452).

Soap, Perfumed and Medicated.—Total, 506 cwt. (\$10,174): United Kingdom, 338 cwt. (\$6,442); United States, 100 cwt. (\$2,240); Canada, 68 cwt. (\$1,478).

Vegetables, Canned or Bottled.—Total, 1,169 cwt. (\$9,732): United States, 916 cwt. (\$7,104); Canada, 122 cwt. (\$1,052); United Kingdom, 44 cwt. (\$651); Belgium, 52 cwt. (\$591); Germany, 34 cwt. (\$305).

The imports from Canada included in the 31 main categories (which comprise 28 sub-categories) listed above represent a total value of \$312,661, or 95·75 per cent of the total imports into British Honduras from the Dominion during 1937. The remaining \$13,332 (4·25 per cent of the latter figure) is the aggregate value of a fairly large number of articles, but in no case were the imports worth as much as \$1,000, and therefore they are not recorded.

TARIFF CHANGES

Apart from the qualified ban against the importation of sugar, referred to in a preceding section of this report, the only legislation of importance affecting the British Honduras customs tariff enacted during the year under review was that from January 8, 1937, an import duty was imposed on agricultural fertilizers, formerly free, of \$3 per English ton under the general tariff (applicable to foreign products).

II. Exports

The value of domestic exports from British Honduras was \$1,422,620 in 1937 and that of re-exports \$1,179,980, a total of \$2,602,600; in 1936 the respective totals were \$1,343,603, \$1,070,248, and \$2,413,851. The total value of domestic exports in 1935 was \$929,097, and in 1934 it was \$878,460.

CHIEF INCREASES

Agricultural development accounted principally for the expansion in the domestic export trade in 1937 as compared with the three preceding years. In 1937 banana production broke all previous records, and shipments of this fruit were second in value only to those of mahogany logs, which represented 27·62 per cent of the colony's total domestic exports: the percentage for bananas was 23·23. Mahogany lumber came third with 21·48 per cent, followed by chicle with 13·30 per cent. Coconuts and grapefruit represented 5·43 per cent and 2·21 per cent respectively.

DESTINATIONS OF EXPORTS

Of the total domestic exports in 1937, purchases by the United States amounted to \$958,514 (67·38 per cent); United Kingdom, \$413,696 (29·08 per cent); Canada, \$32,680 (2·29 per cent); and Mexico, \$11,197 (0·79 per cent). The chief domestic exports to Canada during the year under review were, as in previous years, chicle gum and grapefruit, amounting respectively to 42,743 pounds (\$12,467) and 7,380 cwt. (\$15,628). Canada was the largest purchaser of grapefruit, exports to the Dominion slightly exceeding those to the United Kingdom, which had held first position in 1936. The United States was again the only buyer of bananas and coconuts and the principal buyer of mahogany and chicle. The most noteworthy increases in exports were in bananas, which rose from 696,127 bunches (\$244,238) in 1936 to 938,985 bunches (\$330,491) in 1937; in coconuts, totalling 4,310,110 in number (\$63,930) and 4,958,980 (\$77,267) for the respective years; and in cohune nuts, 140,448 pounds (\$484) and 916,250 pounds (\$3,985) respectively.

Shipping tonnage, both inwards and outwards, was moderately greater in 1937 than in 1936.

TRADE OF THE MIDDLE EAST, JANUARY TO JUNE

HENRI TURCOT, CANADIAN TRADE COMMISSIONER

Cyprus

(One Cyprus pound is the equivalent of approximately \$5 Canadian)

Cairo, October 26, 1938.—Cyprus is an exception to the numerous countries reporting, as a consequence of the decline in commodity prices, a falling off in trade, as its mineral products are important items of export and it has therefore benefited by the existing world conditions. The improvement which has marked the trade situation of Cyprus during the past few years continued during the first six months of the current year, and exports and imports alike showed increases. The explanation of the rise in exports, and consequently of the expansion of purchasing power as reflected in larger imports, is the increasing demand for the island's minerals.

The figures relating to Cyprus imports and exports in the first two quarters of 1938 and 1937 are shown in the following table:—

	Imports		Exports	
	1938	1937	1938	1937
First quarter.. . . .	£ 563,785	£ 534,997	£ 547,555	£450,251
Second quarter.. . . .	542,903	526,926	488,721	437,392
Total.. . . .	£1,106,688	£1,061,923	£1,036,276	£887,643

During the period under review, as compared with the first six months of 1937, imports showed an increase of £44,765 and exports one of £148,633. Despite the expansion in exports, Cyprus has an adverse balance of trade (£70,412 as against £174,280), but this was offset by invisible exports.

Palestine

[One Palestine pound (£P.) equals approximately \$5 Canadian]

Palestine's trade figures for 1937 were indicative of an encouraging revival of commercial activity, but during the first half of the present year conditions have tended to become less favourable and the trade figures for that period reflect this tendency.

Imports, valued at £P.6,641,468, are again below the level for the corresponding period of 1936. The mainspring of Palestine's economy since the war

has been the continuous influx of Jewish immigrants, who have brought both capital and enterprise into the country, and the satisfaction of whose requirements was the all-important factor in giving an impetus to Palestine's imports. These newcomers required houses, shops, factories, workshops, tools, furniture, and the large variety of items necessary for any civilized community. The falling-off in the import trade implies that for the time being development is at a standstill, although to some extent it is the result of lower prices in world markets.

Exports also, valued at £P.3,259,257, show a decline, but this decline is not nearly so important as that in imports; the recession in exports is chiefly due to a reduction in the value of shipments of citrus fruits.

A decrease of 18·3 per cent in imports and of 13·2 per cent in exports is shown by the foreign trade returns of the Office of Statistics of the Palestine Government for the first half of 1938 in comparison with the corresponding period of 1937.

IMPORTS FOR CONSUMPTION

For the six months ended June 30, 1938, the value of imports of merchandise for consumption totalled £P.6,641,468 as compared with £P.8,129,850 and £P.6,732,742 in the same periods of 1937 and 1936 respectively, showing decreases of £P.1,488,382 (18·3 per cent) and £P.91,274 (1·4 per cent).

The value of every class of imports (food, drink, and tobacco; raw materials and articles mainly unmanufactured; wholly or mainly manufactured articles; and living animals not for food) in the first half of 1938 were considerably lower than in the first half of 1937. Imports of food, drink, and tobacco showed a decline from £P.2,316,968 to £P.1,671,306 (27·9 per cent), principally owing to decreases in the importation of grain, flour, and living animals for food. Raw materials dropped from £P.759,102 to £P.620,285 (18·2 per cent), partly due to reduced imports of seeds, beans, and nuts for expressing oils. Imports of wholly or mainly manufactured articles totalled £P.4,340,411 as compared with £P.5,021,436 (13·6 per cent), mainly accounted for by decreases in the importation of ceramic ware and glass, iron and steel and manufactures thereof, electrical goods, textiles, and chemicals. Imports of living animals not for food were valued at £P.9,466, a reduction of £P.22,878.

EXPORTS OF PALESTINIAN PRODUCE

The total exports of domestic produce in the first six months of 1938 were valued at £P.3,259,257 as compared with £P.3,755,719 and £P.2,263,626 in the corresponding period of 1937 and 1936 respectively, a decline of £P.496,462 (13·2 per cent) in the first case but an increase of £P.995,631 (44 per cent) over the first half of 1936.

Exports of food, drink, and tobacco in the first six months of 1938 totalled £P.2,844,854 as against £P.3,329,171 in the similar period of 1937, a reduction of 14·5 per cent. Exports of raw materials and articles mainly unmanufactured were valued at £P.97,577 as compared with £P.187,937, a decrease of 48·1 per cent. Exports of wholly or mainly manufactured articles increased to £P.316,389 from £P.237,513, an increase of 33·2 per cent. Values for living animals not for food were £P.437 and £P.1,098.

OTHER TRADE

The value of re-exports of merchandise previously recorded as imported amounted to £P.291,160 in the period under review as against £P.406,277 in the corresponding 1937 period, a decrease of £P.115,117.

Re-exports from bond (not previously recorded as imported) totalled £P.54,513 as compared with £P.52,171, an advance of £P.2,342.

The value of transit trade (exclusive of Iraq Petroleum Company's crude oil) stood at £P.355,250 as compared with £P.396,392.

Crude oil in transit from Iraq via Haifa is placed at 1,148,214 tons valued at £P.918,571 as against 945,125 tons at £P.756,100. (This crude oil is given an arbitrary value of 800 mills, or 16s. per ton.)

DISTRIBUTION OF TRADE

The percentage shares of the five leading countries in Palestine's imports for the first half of 1938 were as follows, figures for the first six months of 1937 being shown within parentheses: United Kingdom, 21.2 (15); Germany, 13.4 (16.1); Roumania, 9.8 (8.4); United States, 7.6 (7.5); and Syria, 7.5 (8.9). Germany lost first place to the United Kingdom.

The percentage shares of the five principal countries of destination of Palestine's exports were as follows: United Kingdom, 50.7 (58.7); Holland, 8.9 (5.2); Syria, 6.4 (10.3); Belgium, 4.4 (2.6); and Sweden, 3.3 (1.7). Although there was a decrease in sales of Palestinian produce to the United Kingdom, the latter's share was still over 50 per cent.

TRADE WITH CANADA

According to Palestinian official statistics, imports from and exports to Canada in the six months ended June 30, 1938 and 1937 respectively were valued at £P.70,233 and £P.26,607 and at £P.16,939 and £P.754, making the trade balance in favour of Canada £P.53,294 in the first half of 1938 as against £P.25,853 in the similar 1937 period; imports from the Dominion showed an advance of £P.43,626. No further details are available in the official statistics with respect to Canadian trade during the period under review.

CURRENT CONDITIONS

The continuance for any length of time of present conditions in Palestine will undoubtedly be very detrimental to the country's economic position. It would result in a further curtailment of development, especially in the case of new undertakings. It would also put a further strain on the country's finances, already so severely depleted by the events of the past two years that the substantial reserves have been reduced to a point where they are barely sufficient to meet the additional contingencies of one more disastrous year.

Syria and the Lebanon

[One Syrian pound (£S.) equals approximately \$0.54 Canadian]

The official figures of imports into and exports from Syria and the Lebanon in the first six months of 1938 as compared with the corresponding period of 1937 are shown in the following table, volumes being given as well as values on account of fluctuations in the domestic currency, which is linked to the French franc:—

	1938		January-June 1937	
	Tons	£S.	Tons	£S.
Jan.-Mar.				
Imports.. . . .	128,483	12,869,258	127,288	9,870,984
Exports.. . . .	48,742	4,904,344	64,931	5,241,863
Balance.. . . .	— 79,741	— 7,964,914	— 62,357	— 4,629,121
Apr.-June				
Imports.. . . .	135,835	14,895,159	159,226	12,297,917
Exports.. . . .	51,642	6,046,823	55,783	6,097,178
Balance.. . . .	— 84,193	— 8,848,336	— 103,443	— 7,200,739

During the first quarter of 1938, as compared with the corresponding quarter of 1937, imports into Syria and Lebanon increased by 9 per cent in volume and

by 34 per cent in value, while exports declined by 25 per cent in volume and by 6 per cent in value, resulting in an increase in the unfavourable balance of trade. In the second quarter, as compared to the corresponding quarter of 1937, imports fell by 15 per cent in weight and rose by 21 per cent in value, and exports, following a similar trend, decreased by 8 per cent in weight and increased by 18 per cent in value, with the result that there was a larger deficit in the balance of trade.

During the period under review France occupied first place as a supplier of goods imported into Syria and the Lebanon, followed by Great Britain, Japan, Palestine, the United States, Germany, Roumania, Italy, Iraq, and other countries of less importance.

Iraq

[One dinar (ID.) equals approximately \$5 Canadian.]

According to figures issued by the Government of Iraq, imports into and exports from that country in the six months ended June 30, 1938 and 1937, respectively, were valued at ID.4,462,747 and ID.4,329,476 and at ID.1,258,323 and ID.2,645,487, an increase of ID.133,271 in imports and a decline of ID.1,387,164 in exports. The deficit in the balance of trade rose to ID.3,204,424 from ID.1,683,989, or by ID.1,520,435, this being largely accounted for by the falling off in exports of cereals.

PRINCIPAL IMPORTS

The principal imports into Iraq included the following, figures for the first six months of 1937 being within parentheses:—

Live animals, ID.22,757 (ID.1,824); fresh vegetables, ID.15,510 (ID.17,153); fresh fruits, ID.22,603 (ID.26,827); coffee, tea, and spices, ID.222,325 (ID.417,276); oil seeds, ID.12,885 (ID.14,861); raw materials for dyeing and tanning, ID.13,738 (ID.12,239); alimentary fats, ID.19,619 (ID.25,987); sugar and confectionery, ID.272,301 (ID.223,388); alcoholic beverages, ID.27,084 (ID.24,670); tobacco, ID.10,731 (ID.10,060); earths and cements, ID.49,556 (ID.118,845); mineral oils, ID.119,170 (ID.100,256); chemical and pharmaceutical products, ID.50,232 (ID.96,054); tanning and colouring extracts, ID.33,540 (ID.45,947); soap, candles, and wax, ID.100,519 (ID.95,756); explosives and matches, ID.18,012 (ID.16,577); raw hides and skins, and leather, ID.32,874 (ID.48,341); rubber and articles made of rubber, ID.49,398 (ID.48,580); wood and woodenware, ID.280,587 (ID.105,800); paper and cardboard, ID.67,779 (ID.54,788); silk and artificial silk piece-goods, ID.294,014 (ID.343,766); wool and woollen goods, ID.103,598 (ID.130,609); cotton and cotton piece-goods, ID.404,244 (ID.598,554); other textile materials, ID.20,507 (ID.15,988); hosiery, ID.26,468 (ID.28,816); clothing and underwear, ID.162,032 (ID.158,396); footwear, ID.19,536 (ID.18,491); ceramic articles, ID.26,852 (ID.19,589); glass and glassware, ID.30,359 (ID.29,895); iron, cast iron, and steel, ID.452,525 (ID.507,286); copper, ID.34,001 (ID.41,045); aluminium, ID.16,567 (ID.15,875); tin, ID.44,218 (ID.4,646); machinery, ID.448,856 (ID.278,358); electrical machinery, ID.102,573 (ID.110,456); motor vehicles, ID.240,830 (ID.204,940); aircraft, ID.172,346 (ID.50,681); optical instruments, ID.20,672 (ID.21,672); arms, ID.99,176 (ID.146,365); ammunition, ID.19,955 (ID.33,174).

PRINCIPAL EXPORTS

Iraq's chief exports comprised:—

Live animals, ID.85,634 (ID.135,122); raw materials of animal origin, ID.47,817 (ID.72,232); dates, ID.136,901 (ID.140,351); cereals, ID.477,914 (ID.1,239,322); raw hides and skins, ID.109,622 (ID.232,413); wool, ID.106,183 (ID.527,622); raw cotton, ID.143,803 (ID.112,423).

The fact that imports exceeded exports by ID.3,204,424 during the first half of 1938 is not a serious matter, since the larger movement of Iraq's exports takes place during the second part of the year and invisible exports are considerable.

Egypt

[One Egyptian pound (£E.) equals approximately \$5 Canadian]

Figures issued recently by the Egyptian Customs Administration show that for the six months ended June 30, 1938, imports were valued at £E.17,629,127 as compared with £E.17,647,846 in the corresponding period of 1937, a decrease

of £E.18,719; the value of exports of Egyptian produce totalled £E.15,385,947 as against £E.22,992,065, a decline of £E.7,606,118. There was therefore an unfavourable balance of £E.2,243,180 in comparison with a favourable balance of £E.5,344,219 for the first half of 1937. The heavy decrease in exports was primarily due to the lower prices of cotton; during the period under review, exports of cotton were valued at £E.10,643,144 as against £E.16,441,875 in the first six months of 1937.

TRADE BY COMMODITY GROUPS

In the first half of 1938 and 1937, imports into and exports from Egypt, under the twenty-one commodity groups appearing in the Egyptian official statistics, were as follows:—

Commodity Group	Imports		Exports	
	January-June 1938 £E.	1937 £E.	January-June 1938 £E.	1937 £E.
Living animals and products of the animal kingdom.. . . .	316,841	313,335	121,517	122,741
Products of the vegetable kingdom.. . . .	1,217,904	1,091,565	2,315,838	2,914,428
Animal and vegetable fatty substances, oils and waxes, and alimentary fats.. . . .	297,797	383,734	88,405	274,450
Products of the food preparing industries, beverages, alcoholic liquids, vinegar, and tobacco..	1,257,639	885,102	731,027	835,968
Mineral products.. . . .	2,425,925	2,164,076	305,013	352,749
Chemical and pharmaceutical products, colours, varnishes, perfumery, soap, candles, glue, gelatine, explosives, and fertilizers.. . . .	2,230,483	2,521,478	233,231	222,965
Skins, hides, leather, furs and articles thereof..	137,726	129,549	99,057	183,099
Rubber and manufactures thereof.. . . .	129,166	96,934	806	206
Wood, cork, articles thereof, and articles made of plaiting materials.. . . .	680,048	501,861	4,072	6,371
Paper and its applications.. . . .	517,129	562,318	44,861	57,592
Textile materials and textiles.. . . .	3,012,582	4,241,761	10,803,517	16,779,069
Footwear, hats, tarbooshes, umbrellas, parasols and sticks, articles of fashion.. . . .	67,258	70,958	1,706	1,500
Wares of stone and other mineral materials, pottery, glass and glassware.. . . .	257,395	328,788	1,658	2,549
Precious metals, pearls, precious stones, and coins.. . . .	309,484	168,290	582,734	1,169,841
Common metals and manufactures thereof.. . .	1,700,357	1,774,885	10,096	23,602
Machinery and apparatus and electrical material	1,413,649	1,204,128	1,103	1,190
Means of transport.. . . .	986,978	758,420	1,768	1,619
Scientific and precision instruments and apparatus, horological ware, and musical instruments.. . . .	259,651	228,722	131	318
Arms and ammunition.. . . .	188,754	27,544	....	....
Miscellaneous goods and products not elsewhere included.. . . .	208,581	186,961	35,513	18,440
Works of art and articles for collections.. . .	13,780	7,437	3,894	23,273
Total.. . . .	17,629,127	17,647,846	15,385,947	22,992,065

As shown above, increases were recorded in fourteen groups and declines in seven groups on the import side, and advances were shown in five groups and decreases in fifteen groups among export items. The largest decrease in both imports and exports was shown by textile materials and textiles, the individual commodities most affected being cotton piece-goods, on the one side, and raw cotton on the other.

TRADE BY COUNTRIES

The leading countries sharing in Egypt's import trade during the first half of 1938 were as follows, the figures for the corresponding period of 1937 being within parentheses: United Kingdom, £E.4,057,706 (£E.3,665,372); Germany, £E.1,830,875 (£E.2,092,313); United States, £E.1,260,702 (£E.1,057,877); Italy, £E.1,151,092 (£E.1,522,581); Dutch East Indies, £E.1,038,947 (£E.464,799); Belgium and Luxembourg, £E.920,224 (£E.1,078,992); France, £E.864,615 (£E.711,197); Roumania, £E.683,364 (£E.711,088); Japan, £E.516,425 (£E.809,365).

Principal purchasers of Egyptian products were: United Kingdom, £E.5,305,623 (£E.6,925,500); Germany, £E.1,605,200 (£E.1,614,632); France,

£E.1,281,007 (£E.2,093,389); British India, £E.916,718 (£E.907,425); Italy, £E.803,556 (£E.1,440,522); Japan, £E.778,977 (£E.1,966,295); Czechoslovakia, £E.502,641 (£E.760,068); Switzerland, £E.469,638 (£E.655,942); Roumania, £E.354,718 (£E.618,387); Poland-Danzig, £E.336,143 (£E.338,513); United States, £E.306,715 (£E.1,103,928).

TRADE WITH CANADA

According to the Egyptian official statistics, imports from and exports to Canada for the six months ended June 30, 1938 and 1937, respectively, were valued at £E.27,041 and £E.16,851, and at £E.45,216 and £E.71,605, which indicates that the value of imports from Canada in Egypt rose by £E.10,190 and Egypt's exports to the Dominion fell by £E.26,389, while the balance of trade, unfavourable to Canada, stood at £E.18,175 as against £E.54,754.

TRADE SITUATION SINCE JUNE

It is reported that Egypt's imports and exports continued to show a downward trend during the past three months, the decline in exports being less pronounced than in imports.

CRANBERRY PRODUCTION IN THE UNITED STATES

C. H. WEST, ASSISTANT TRADE COMMISSIONER

New York, November 18, 1938.—Cranberries have been grown commercially in the United States since 1850 and are now produced in five states, Massachusetts, New Jersey, Wisconsin, Oregon, and Washington. In the ten-year period 1928 to 1937 inclusive the annual output for the whole country averaged 598,720 barrels, and of this Massachusetts produced an annual average of 407,900 barrels or 68 per cent. The rest of the crop came mainly from New Jersey and Wisconsin with smaller quantities from the two Pacific Coast states. Cranberries are now the leading export crop of Massachusetts and are shipped to all parts of the United States and Canada.

PRODUCTION

The following table shows the average cranberry crop of the five producing states for the five-year period 1928-32, the crops for the years 1933 to 1937, and the estimated crop for 1938:—

	Average 1928-32	1933	1934	1935	1936	1937	1938*
	Barrels of 100 Pounds						
Massachusetts	408,000	506,000	290,000	332,000	346,000	565,000	370,000
New Jersey	117,000	142,000	72,000	85,000	75,000	175,000	75,000
Wisconsin	49,000	42,000	59,000	77,000	62,000	115,000	64,000
Washington	5,300	4,800	18,300	17,000	16,700	18,500	15,400
Oregon	4,400	3,900	6,000	4,500	4,600	3,800	5,200
Total	589,220	698,700	445,300	515,500	504,300	877,300	529,600

* Forecast September 1, 1938.

It will be observed that in 1933 there was a particularly heavy crop. In Massachusetts it exceeded the previous five-year average by nearly 25 per cent and in New Jersey, the other leading producing state, it was more than 20 per cent above the average. The following year production for the whole country was approximately 25 per cent under average, but in the next three years production successively rose until in 1937 an all-time record crop was harvested, exceeding the previous record by 15 per cent.

Since 1901 the crops of Massachusetts and Wisconsin have increased, while those of New Jersey and the Pacific Coast states have tended downward. The increased production in Massachusetts is due to improved cultural practices, which have more than offset a reduction in cranberry bog acreage. In New Jersey, on the other hand, the growers have been faced with a prevalence of false blossom disease in recent years, and on the Pacific Coast frosts have been very destructive.

The varieties principally grown in Massachusetts are Early Black and Howes, which together make up about 88 per cent of the entire acreage of that state. They have been widely planted also in New Jersey. Early Black is the standard early variety and Howes the standard late one. The McFarlin is the popular variety in Wisconsin and the Pacific Coast states.

MARKETING

The bulk of the cranberries in the United States are handled by a marketing co-operative or exchange which has been an important factor in the market for the last thirty years. It was formed in 1907 by the joint action of cranberry sales companies in Massachusetts, New Jersey, and Wisconsin, and at that time distributed 34 per cent of the total crop of the country. In 1911 an amalgamation took place with a competing organization under the name by which it is still known. The percentage of the crop handled by the combined companies was then about 53 per cent and has since gradually increased. Membership in the co-operative selling organization is principally among the larger producers. In Massachusetts, where there are a number of small growers, the organization represents only 20 per cent on a numerical basis but this minority group produces about 55 per cent of the crop. In New Jersey 60 per cent of the growers, producing 65 per cent of the total crop, belong to the exchange. To an even more decided extent production in Wisconsin is in the hands of large growers, and the co-operative, representing 80 per cent of the producers, controls 85 per cent of the state production.

According to an estimate prepared by the cranberry exchange, the crops of the last three seasons have been distributed through the following channels:—

	1935	1936	1937
	Per Cent	Per Cent	Per Cent
Co-operative exchange..	54	52	40
All canners and preservers..	19	21	42
All others..	27	27	18

GROWTH IN CANNING

There will be noted in the foregoing table an increasing tendency for the utilization of cranberries in other than the fresh form. Cranberries were first canned in Massachusetts in 1919 in a small way and this developed steadily until 1928, when 12·7 per cent of the crop in that state was canned. Roughly from 5 to 10 per cent of the Massachusetts crop has been put up in this way in more recent years, a pronounced rise taking place in 1935 and continuing in 1936 and 1937. The berries are converted into sauce, jelly, and also juice.

The same situation is reflected in the figures for New Jersey. Since 1935 the canners have been utilizing more than one-third of the cranberry crop harvested in the state. In that year they bought about 32,500 barrels, or 38 per cent of the total crop; in 1936 approximately 25,700 barrels, or 34 per cent of the total crop; and in 1937 more than half of the total harvest of 166,000 barrels.

In the East there are about six cranberry canners. Possibly the largest is a stock co-operative having a plant in Massachusetts, in which the shares are held by members of the cranberry exchange.

Last year a few thousand barrels of cranberries were shipped out of Wisconsin to eastern canneries, the industry having not yet been developed in that state or farther west. In Washington experiments have been made with so-called frozen pack cranberries and the results are said to be satisfactory.

DISTRIBUTION

Cranberries produced in Massachusetts are shipped to practically every market of importance in the country. Some reach the Pacific Coast and most or all of the imports into Canada are from this source. The New Jersey crop competes with that of Massachusetts in all the large eastern cities and is also sold to a small extent in Chicago. Most of the Wisconsin crop is shipped to western markets, although Chicago absorbs some of it and, as mentioned, a few thousand barrels of the 1937 crop were sent east for canning. A large part of the Washington crop is marketed within the state and shipments are made to California, Utah, and other western states. The largest outlets for Oregon berries outside the state are in Los Angeles and San Francisco.

Exports of cranberries are not separately classified in the United States trade returns, but according to figures issued by the Dominion Department of Agriculture unloads for the four principal cities in Canada in 1936 were: Montreal, 5 cars; Toronto, 12 cars; Winnipeg, 3 cars; and Vancouver, 2 cars—all of these being from Massachusetts.

MARKET TRENDS AND PRICES

Since 1920 the lower cost of sugar and an aggressive marketing and advertising policy, sponsored largely by the cranberry exchange, have resulted in a better demand and higher prices for cranberries. There is no doubt also that the adoption of smaller containers has stimulated public consumption. Half-barrels were introduced to the trade in about 1914 and in 1922 had largely displaced barrels. Quarter-barrels in turn replaced the half-barrel size, and are now standard in the trade.

Canning of the fruit in recent years, in conjunction with the practice of holding the berries over in a frozen condition for use as they may be needed, has stabilized the market. Thus in 1933 there was a carryover of about 30,000 barrels, and last year, due to the large crop, there was again a carryover of about 200,000 barrels. Some of the latter were placed in freezers by canners, who paid a price of from \$5 to \$6 per barrel, and the balance was controlled by the canning subsidiary of the exchange on behalf of the growers. The growers were given an advance of \$3 per barrel, the balance of payments to them coming out of the amount realized for the canned berries after accounting for this advance and for storage charges.

Despite the large crop, the market was exceptionally good last year until the middle of November, when the effects of the depression then current suddenly became apparent and the demand dropped sharply, leaving large stocks still unsold. This year, on account of a short crop and despite the large carryover, prices have been good, reaching \$14 per barrel for the Early Black variety. There has been no advance in the Howes since they first opened at the same price but they are said to be moving satisfactorily. Approximately 25 per cent of the cranberry consumption is at Thanksgiving, the next biggest demand being at Christmas.

CUSTOMS DUTIES

Under the present tariff the duty on fresh cranberries imported into the United States is $1\frac{1}{4}$ cent per pound. Under the Canada-United States Trade Agreement signed November 17 and effective January 1, 1939, the duty is reduced to $\frac{3}{4}$ cent per pound.

BUSINESS CONDITIONS IN ARGENTINA

J. A. STRONG, CANADIAN TRADE COMMISSIONER

Buenos Aires, November 21, 1938.—All imports into Argentina must be covered by an official import permit after December 1, 1938.

The Argentine system of exchange control since 1933 has been based on an effective preference of approximately 20 per cent for imports from countries purchasing Argentine products up to the amount of their purchases, with allowance for financial services. In practice there were exceptions to this general rule as Argentina has to buy certain commodities, such as newsprint, petroleum, crude rubber, etc., where they can be obtained. The consumer in Argentina, however, could buy imported commodities of whatever origin, if willing to stand any added cost arising from the preference. An official import permit was formerly necessary only for enjoyment of the preference.

Under the new regulations just issued, however, all imports into Argentina as from December 1 must be covered by an official import permit which will be of two classes; one for commodities of a class and origin which entitles them to the preference and the second for all other commodities. In this way the government will have complete and direct control over all imports into Argentina.

The purpose of this regulation is to maintain a balance in external payments by checking aggregate imports so as to offset the low level of cereal exports from Argentina this year. The 1937-38 wheat crop was below normal due to frosts and later drought almost ruined the corn crop. As a result aggregate Argentine exports for the first ten months of this year are 53·8 per cent in volume and 43·1 per cent in value below the corresponding figures for 1937 and there is a small unfavourable visible trade balance as compared with a favourable balance of the equivalent of \$250 million for the first nine months of 1937. In addition the new regulation will give the Argentine Government full power to deal with dumping which, it has been alleged, is being practised by some countries in this market, particularly in textiles and coal.

VALUE OF THE PESO

Simultaneously with the regulation exacting import permits, the Argentine Government raised the preferential selling rate for the peso to importers and others in relation to sterling by 6·6 per cent, or from 16 to 17 pesos to the pound sterling. The peso has been pegged to sterling since 1933. The buying rate for exporters' bills will remain at 15 pesos to the pound leaving a 2 peso profit margin to the government. This means that approximately 83 per cent of all imports into Argentina, based on 1937 figures, will be taxed an additional 6·6 per cent, giving the government a 13·3 per cent profit on this proportion of the exchange bought from exporters and a wider margin on all the other exchange from exporters except that used to service the external public debt and for other official payments abroad. Importers of merchandise not entitled to the preference will pay probably approximately 20 per cent more than in the past. The Argentine Government made a profit of the equivalent of \$64 million under their exchange control system in 1937. Their profit may reach \$100 million in 1939 due to the wider margin between the buying and selling rates.

FIXED WHEAT PRICE

The Argentine Government has fixed the guaranteed basic minimum price to producers for wheat at 7 pesos per 220 pounds (63·6 cents per bushel), and at 13 pesos per 220 pounds (\$1.10 per bushel) for flaxseed of the 1938-39 crops. The guaranteed minimum price for wheat was fixed at 52 cents per bushel in 1933, raised to 90 cents following the 1935 drought here, and suspended in 1936.

Any loss incurred by the government in respect of the guaranteed minimum price will be met from the exchange profit fund and the increase in the margin of profit was made largely for this purpose.

GENERAL OUTLOOK

There is nothing in the nature of a crisis existing or imminent in Argentina. The grain crops appear to be excellent at the moment and harvesting has begun in the earlier of the main zones, so that the volume of exports will be greatly increased next year even though grain prices are low. The Argentine Government floated a new \$25 million ten-year 4½ per cent loan in New York a few weeks ago so its credit is good. The government has had to be economical in all exchange matters within its control this year due to the poor crops and the only important item of exchange not controlled was that to pay for non-preferred imports. The present drastic control measures are justified by a desire on the part of the government to anticipate possible further difficulties in 1939 arising from low grain prices or another possible corn crop failure rather than to await the outcome of events, particularly as the exchange reserve is low now. It is part of the plan of a managed economy which is being practised here. The principal commodities exported from Canada to Argentina such as newsprint, farm machinery and seed potatoes, are not likely to be affected, since they are considered as necessities here. It is too early, however, to estimate what the ultimate effect may be on other Canadian exports to Argentina.

INDUSTRIAL, TRADE, AND ECONOMIC TRENDS IN MEXICO

R. T. YOUNG, CANADIAN TRADE COMMISSIONER

INDUSTRIAL CONDITIONS

Mexico City, November 24, 1938.—Mexican industry as a whole continues to experience difficulties, particularly the cotton textile branch, which is burdened with heavy inventories. The more financially sound mills are adapting themselves to the prevalent labour and economic conditions in the face of many adverse factors. The recent enactment of almost prohibitive import duties on rayon yarn and the necessity of securing permits for its importation has placed that industry under strict government control. The approach of the cool season improves the position of the woollen textile mills, while shoe manufacturers and producers of foodstuffs showed increased sales in October.

MINING

The mining industry, which had experienced severe labour disturbances because of the workers' demands to operate the properties on a co-operative basis, seems to have passed through the worst stages of its difficulties and to be operating normally. In the states of Sonora and Michoacán, where several railway projects were under way, operations have been suspended since August.

The general position indicates a steady upward, but perhaps, weak swing in business during the last three months, but merchants and importers continue to exercise caution as to their commitments.

AGRICULTURE

The corn and bean crops are reported much smaller than anticipated, but in several of the states considerable quantities still remain to be harvested. Wheat crops, which have been disappointing in the last few years, necessitating

imports from the United States, have also fallen somewhat short. In the district of Mexicali it is reported that 50,000 hectares (of 2·47 acres), or about 10,000 above normal, have been seeded to wheat with a view to correcting this shortage; while in the neighbourhood of Guaymas, in the state of Sonora, preparations are being made to extend the wheat acreage.

PETROLEUM

During August, petroleum production is reported to have amounted to 445,015 cubic metres of light and 71,345 cubic metres of heavy crude; for September the figures are 494,568 cubic metres of light and 48,609 cubic metres of heavy crude.

GENERAL BUSINESS AND COMMODITY TRENDS

The slight business improvement during August and September over the preceding months of the year continued throughout October; but the volume turnover of merchandise was approximately 20 per cent lower than in October, 1937. It is apparent that merchants have been withholding purchases of foreign merchandise in expectation of an improvement in the value of the peso.

Sales of automobile tires increased to such an extent in October that factories, although working to capacity, were unable to fill all orders. Increased sales of shoes in September continued throughout October, keeping manufacturers well occupied, but wholesale and retail hardware sales were slow, owing to the reduction in governmental orders. The industrial machinery trade continues dull, due to purchases in Europe on an oil barter basis. October is usually a month in which agricultural machinery orders are at their best, but with the exception of a few orders placed by the Government on special terms, sales prospects are not encouraging. Sales of radios showed an increase, due undoubtedly to the introduction of the 1939 models, while electric refrigerators show a seasonal decline. The electrical appliance wholesale and retail trade was above the average of the first half-year, but still considerably under the previous year's levels.

FOREIGN TRADE

The total value of imports into Mexico from all countries during the first six months of 1938 is reported to have been valued at U.S.\$58,168,000 as compared with U.S.\$81,689,000 during the corresponding period of 1937. As usual, imports from the United States held first place but show a decline of 29·2 per cent, while those from Germany increased by 7·6 per cent. Slight declines were recorded in imports from Great Britain and France. The value of exports in pesos showed an increase during the first half of 1938 as compared with the same period of 1937, but when adjustment is made on account of the depreciation of the peso, there was a slight decline. Exports to all countries for the first six months of 1938 were valued at U.S.\$106,909,000 as against U.S.\$118,326,000 for the same period of 1937.

EXCHANGE

The peso opened weak on October 1 at 4·99¼ buying and 4·99½ selling; by October 7 it had strengthened to 4·92 buying and 4·93¼ selling. During the remainder of the month it remained strong, with the exception of weakness from October 21 to 24, when it again strengthened and closed on October 31 at 4·91 buying and 4·92 selling.

IMPORTS INTO THE UNITED STATES OF PRODUCTS UNDER THE QUOTA PROVISIONS OF THE TRADE AGREEMENT

The following table, prepared by the Canadian Trade Commissioner's office at New York from preliminary figures issued by the Treasury Department at Washington, shows the standing of the quotas provided for under the Canada-United States Trade Agreement up to October 29, 1938. The percentage of quota used by Canada up to October 30, 1937, is likewise given for comparison purposes:—

	Total of Quota	Reduction in Duty	Used by Canada		
			1938	1937	
			Total Amount	Per Cent to Oct. 29	Per Cent to Oct. 30
Cattle (700 lbs. or more) ..	155,799 head	3 to 2 c. per lb.	50,665	32·5	Quota filled
Calves (less than 175 lbs.) ..	51,933 head	2½ to 1½ c. per lb.	35,800	68·9	Quota filled
Dairy cows	20,000 head	3 to 1½ c. per lb.	5,730	28·7	26·9
Cream	1,500,000 gallons	56-6/10 to 35 c. per gal.	4,572	0·3	7·9
Seed potatoes	750,000 bushels	75 to 60 c. per 100 lbs. Dec. 1 to end of Feb.; 45 cts. Mar. 1 to Nov. 30.	636,464 bushels	84·9	94·0
Unmanufactured lumber (Douglas fir and Western hemlock)	250,000 M ft. b.m.	\$1 to 50 c. per M ft. b.m. duty; \$3 to \$1.50 tax.	139,282 M ft. b.m.	55·7	45·6
Red cedar shingles	864,881 squares	Free	864,881	Quota filled Sept. 28, 1938	95·3

During the period under review total imports of cattle weighing 700 pounds or more amounted to 86,076 head or 55·2 per cent of the total quota. Of this number 35,411 head or 22·7 per cent of the quota were shipped from Mexico. Total imports of cattle weighing less than 175 pounds amounted to 37,935 head or 73 per cent of the total quota. Of this number 2,135 head or 4·1 per cent were shipped from Mexico.

With regard to the imports of Douglas fir and western hemlock to October 29, 1938, under the quota provisions of the Canada-United States agreement, shipments of Douglas fir from Canada amounted to 81,649 M feet board measure, of western hemlock to 26,803 M feet board measure, and of mixed fir and hemlock to 30,831 M feet board measure.

TARIFF CHANGES AND CUSTOMS REGULATIONS

United Kingdom

QUOTA PAYMENTS ON FLOUR

With reference to the notice in *Commercial Intelligence Journal* No. 1815 (November 12, 1938), page 849, the Wheat (Quota Payments) No. 6 Order, 1938, of the United Kingdom, effective November 13, increases from 24 pence to 28·8 pence the payment to be made to the Wheat Commission in respect of each hundredweight of wheat flour imported into or milled in the United Kingdom. The fund created by these payments is used to reimburse United Kingdom wheat growers to the extent of the difference between the ascertained average price of home-grown millable wheat in any cereal year and the standard price of 10 shillings per hundredweight fixed by the Wheat Act, 1932.

Australia

REDUCTION IN CANADIAN CONTENT REQUIREMENT IN CHASSIS PARTS

The Canadian Trade Commissioner in Sydney, Australia, cables under date of November 30 that the Canadian content required for preference in motor car chassis parts imported separately and which are admissible under item 359(D) (4) of the Australian Customs Tariff has been reduced from 50 per cent to 25 per cent.

TARIFF DECISIONS

Australian customs decisions, as to the classification and rates of duty on articles regarding which question had been raised, include the following:—

Internal combustion engines up to and including 100 horsepower for use only in the manufacture of Australian-made portable air compressor plants in which the engine is direct coupled to the plant, free of duty under British preferential tariff, 15 per cent ad valorem under general tariff (by-law under item 404).

Fractional horsepower petrol engines for toy aeroplanes, 45 per cent ad valorem under British preferential tariff (less exchange adjustment), 65 per cent ad valorem under general tariff (item 178E).

Ebonite separators, perforated or slotted, for use only in the manufacture of electric batteries for train lighting and of traction batteries, free of duty under British preferential tariff, 15 per cent ad valorem under general tariff (by-law under item 404).

Bleached sulphite pulp for use only in the manufacture of nitro-cellulose is admissible free of duty under both British preferential and general tariffs (by-law under item 404A).

Bottling wax and sealing wax, 1d. per pound under British preferential and 1½d. per pound under general tariff (item 104C). These waxes were formerly dutiable at various rates according to their composition.

Foam generating powders for use only in fire extinguishers, either directly or in combination with other substances, free of duty under British preferential tariff, 20 per cent ad valorem under general tariff (by-law under item 278D).

Brassierettes, being in the nature of brassieres with dress shields attached thereto, 45 per cent ad valorem under British preferential tariff (less exchange adjustment), 65 per cent ad valorem under general tariff (item 110D).

Hand darts for dart games, 25 per cent ad valorem under British preferential tariff, 67½ per cent ad valorem under general tariff (item 310A).

Canadian goods under the above items, having the required content of Canadian and/or Australian material and labour, and shipped in accordance with Australian regulations, are entitled to British preferential tariff rates. Goods from all countries outside the British Empire are subject to general tariff rates.

Newfoundland

TARIFF CHANGES FOLLOWING ANGLO-AMERICAN TRADE AGREEMENT

The *Daily News* of November 19, of St. John's, Newfoundland, published the statement below as showing the rates of duty which will be applied after December 31, 1938, to goods imported into Newfoundland which are affected by the Anglo-American Trade Agreement signed November 17, 1938. The article states that the rates shown in the column headed "Preferential" will apply to goods which are eligible for admission at preferential rates under existing tariff regulations (preferential rates at present apply only to the United Kingdom). The rates shown in the column headed "Intermediate" are to apply to articles the growth, produce, or manufacture of the United States or of countries entitled to most-favoured-nation treatment. A statement is to be issued in due course as to the countries, other than the United States, to which the benefits of the intermediate tariff rates will be extended. Already it is stated that Canada is to be accorded most-favoured-nation treatment. The "full" rates are those now in force as regards Canada or the United States.

Item No.	Rates of Duty		
	Full	Inter- mediate	Prefer- ential
	4c.	3c.	3c.
41. Hams and tongues, dry salted or pickled.....per lb.			
77. Oranges, melons, pumpkins, lemons, limes, grapes, grape- fruit, peaches, pears, plums, apricots, cherries, goose- berries, currants, strawberries, pineapples, pomegran- ates, guava, shaddocks, mangoes, and similar green fruits	Free	Free	Free
78. Dried fruits (other than dates); currants and dried raisins, not elsewhere specified in tariff.....per lb.	3c.	2c.	2c.
80a. Natural-dried sultana type raisins, otherwise known as Natural Thompson's Seedless Raisins, in bulk or in packages	3c.	Free	Free
93. Lard, lard compound, and similar substances, cottolene and stearine of all kinds, not elsewhere specified in tariff	50%	30%	30%
369a. Cinematograph apparatus and cameras of all kinds and parts thereof	65%	45%	45%
385. Electric batteries of all kinds, including storage batteries, dry cell batteries (single and multiple cell), flash- light batteries, galvanic batteries, primary and second- ary batteries, not elsewhere specified in tariff...ad val.	40%	30%	30%
386. Electrically-driven appliances (including razors and hair trimmers), not elsewhere specified in tariff...ad val.	50%	40%	40%
387. Electrical appliances for cooking and heating...ad val.	55%	45%	45%
410. Machinery and parts of machinery, not elsewhere speci- fied in tariff.....ad val.	60%	50%	50%
442. Piece-goods, wholly or mainly of cotton, printed or dyed or not, not made up in any manner.....ad val.	25%	20%	15%
443. Made up or partly made up articles, wholly or mainly of cotton (except apparel), not elsewhere specified in tariff, such as quilts, sheets, towels and curtains.ad val.	50%	45%	40%
464. Boots, shoes and slippers for women and children; such footwear being of leather or imitation leather, and of a value in the country of exportation of \$1 or more per pair	40%	35%	30%
467. Hats, caps, bonnets, and hat, cap and bonnet shapes of any material	65%	55%	50%
468. Ready-made clothing, wholly or mainly of material other than wool, for women and girls, viz.: costumes, dresses, coats and skirts	40%	35%	30%
469. Undergarments of any material, not knitted, for men and boys, viz.: cuffs, collars, pyjamas, shirts, undervests and like garments	40%	35%	30%
470. Gloves and mitts of any materials, not elsewhere specified in tariff	55%	45%	45%
M1006. Lard, neutral stock, lard oil to be used in manufac- tures	25%	15%	15%

Palestine

WHEAT STORAGE AND IMPORT RESTRICTIONS

The Canadian Trade Commissioner at Cairo advises that a Customs Ordinance, published in Supplement No. 2 to the *Palestine Gazette* No. 817 of September 22, 1938, revokes the order of April 16, 1935, under which permits were required for the importation of wheat. Under the new regulations, wheat other than *triticum durum* may be stored in bonded warehouses independent of import permits, which will continue to be issued in accordance with the quarterly wheat import schedule fixed by the Customs Department. Deliveries of wheat from bonded warehouses will, however, be regulated quarterly in the same way as ordinary wheat imports. The importation of wheat (other than wheat permitted to be deposited in bonded warehouses), flour, and semolina will be regulated quarterly as heretofore and be subject to import permits. The importation of a supplementary quantity of flour, semolina, and wheat (other than wheat to be deposited in a bonded warehouse), and/or the delivery of a supplementary quantity of wheat from bonded warehouses is also provided for in the new ordinance. Nothing in the ordinance applies to wheat, flour, and semolina, the produce of and imported into Palestine directly from Trans-Jordan.

United States

SOME COMMODITIES NOT REQUIRING CONSULAR INVOICES

United States Treasury Decision No. 49742, published November 17, 1938, contains a list of commodities that have been ruled by the Bureau of Customs, in answer to specific inquiries, as not requiring consular invoices when unconditionally free of duty or subject only to a specific rate of duty not depending on value and otherwise coming within the provisions of article 299 (b) (11) (a) of the United States Customs Regulations of 1937. (This article enumerates under various general headings commodities which may be brought within this exemption from consular invoice.) In all, 258 articles are listed as not requiring a consular invoice, among them being,—

Antimony ores	Leaves, as herbs
Asbestos, fibre, shorts, natural	Lentils, raw or dried
Barks and herbs, crude	Linseed
Barley	Lobsters
Beans, dried, natural	Logs
Beet pulp, dried	Manganese ores
Berries, edible (lingon and fox), in brine	Manure, animal (fertilizer)
Blood or blood meal	Manure salts
Blueberries	Maple sap, crude
Carbons (black diamonds), rough or uncut	Milk, dairy product
Cattle, live	Mineral waters, natural
Cereals, threshed only, natural	Mineral wax, crude
Cherries, with pits, natural	Minerals, crude
Chickpeas	Mint, natural
Chrome ores	Nitrate of potash
Citron, crude	Nitrate of soda
Coal, except when subject to countervailing duty	Oats
Concentrates	Onions, natural
Corn	Ores, unprocessed
Corundum ore	Peas, natural or dried
Cream	Peat moss
Cuttlefish bone	Platinum, dust, natural
Diamonds, rough or uncut	Plumbago
Drugs, crude	Potatoes (for seeding), except sweet potatoes
Dyeing and tanning materials, crude	Poultry, live
Ergot of rye	Precipitates, silver
Fertilizer and fertilizer materials	Railroad ties, hewn or sawed
Fibres, natural	Resins and gums
Fish	Rye
Fish: skins, bones, sounds, wastes, cuttings, fins, tails, livers	Salt, precipitated sea, or mined
Flax, raw	Salt cake
Fruit, natural or dried (not prepared or preserved)	Sand, crude
Garlic, natural	Sand, flint, crude
Gentian root	Shellfish
Gold dust	Shingles
Gold ores	Silver ores
Grain hulls, natural	Silver sulphides
Grains, small, natural	Silver precipitates
Granite, rough, quarried	Slag
Grapes, natural	Smelts
Grasses and fibres, crude	Sodium nitrate
Gums and resins, crude	Stone, rough quarried
Hay, natural	Straw (natural)
Herbs and barks, crude	Ties, railroad, sawed or hewn
Honey, natural	Turnips
Hops	Vegetables, natural
Iron ore, crude	Vegetable products, fertilizer
Laths	Waxes, vegetable and mineral
Lead-bearing ores	Waxes, natural
	Wheat
	Wood
	Wood-pulp

Finland

NEW FINNISH GRAIN AND FLOUR DUTIES

(One Finnish mark equals approximately 2·1 cents Canadian)

Mr. Richard Grew, Canadian Trade Commissioner in Oslo, writes that the Finnish Diet passed a bill on October 18, effective from October 20 until the end of the year, whereby the duty on wheat and rye, as well as wheat flour and rye flour, are increased.

The duty on wheat is to vary according to the Liverpool market quotations and will be 0·40 Finnish mark per kilo when the Liverpool quotation is not less than 2·50 Finnish marks per kilo, plus 80 per cent of the amount by which the quotation falls short of 2·50 marks. The Finnish authorities, at the end of the first 25 days of the previous month, will fix in Finnish currency the average Liverpool market quotation which will be in effect during the following month.

According to resolutions issued shortly after this bill became law, the average quotation for wheat in Liverpool was fixed at 1·27 and 1·18 marks per kilo for the months of October and November respectively.

As a result of these resolutions, the duty on wheat for November was as follows: 0·40 mark plus 80 per cent of 1·32 mark, or 1·06 mark (80 per cent of the difference between 2·50 and 1·18 marks), making the duty 1·46 mark per kilo.

The duty on wheat flour, which enters under quota, is 0·60 mark plus the duty on wheat, making a total of 2·06 marks per kilo. The former duties on wheat and quota flour were respectively 1·00 and 1·60 marks per kilo.

In Canadian equivalents, the present and previous duties are as follows:—

Wheat per bushel: present, \$0.82; previous, \$0.57.

Flour per 100 kilos: present \$4.32; previous, \$3.36.

Under the previous regulations, Finnish millers were allowed to import wheat at a rate of 0·65 mark per kilo on quantities equivalent to the quantity of domestic wheat they had milled. In the new law, the rate is 0·35 mark per kilo (or 20 cents per bushel) lower than the duty which is in effect.

For non-quota flour, the duties have been fixed as follows:—

Unsifted wheat flour (Graham): 0·15 mark per kilo plus the duty on 1 kilo of unmilled wheat.

Sifted and granulated wheat flour: 0·35 mark per kilo, plus one and one-half times the duty on 1 kilo of unmilled wheat.

Wheaten groats: 0·35 mark per kilo, plus one and one-half times the duty on 1 kilo of unmilled wheat.

The basic duty on rye has been raised from 0·10 mark to 0·25 mark per kilo when the c.i.f. price, based on quotations offered for imported rye in South Finnish ports, is at least 2·40 marks per kilo. If the price is less than 2·40 marks per kilo during the first 25 days of the previous month, the duty on rye for the following month will be increased by 80 per cent of the difference.

According to a Finnish Government regulation of October 31, 1938, the c.i.f. price of imported rye has been fixed at 0·97 mark per kilo for the month of November. Thus, the duty on rye would work out as follows: 0·25 mark plus 80 per cent of 1·43 mark, or 1·14 mark (80 per cent of the difference between 2·40 marks and 0·97 mark), making the duty 1·39 mark per kilo.

The duty on rye flour is as follows:—

Unsifted: 0·15 mark per kilo plus the duty on 1 kilo of unmilled rye.

Sifted: 0·35 mark per kilo plus one and a half times the duty on 1 kilo of unmilled rye.

No increase in duty will be made unless it amounts to 0·05 mark per kilo, and all increases will be made in units of 0·05 mark.

Japan

FODDER DISTRIBUTION CONTROL LAW

A Japanese Fodder Distribution Control Law, to which reference was made in *Commercial Intelligence Journal* No. 1792 (June 4, 1938), page 921, became effective on October 15, and regulations respecting its enforcement were gazetted on October 13. The law empowers the Government to control the exportation and importation of maize, kaoliang, and other kinds of fodder, and to supervise those distributing fodder in Japan.

TENDERS INVITED

Australia

Copies of specifications and contract have been received from Mr. Frederick Palmer, Canadian Trade Commission at Melbourne, Australia, for the supply, delivery, and erection, or supervision of erection, of a boiler plant. Tenders are issued by the City Electrical Engineer, Melbourne, and close on January 9, 1939. These specifications and contract are available for inspection by interested Canadian firms on application to the Department of Trade and Commerce, Ottawa.

New Zealand

Copies of specifications have been received from Mr. W. F. Bull, Canadian Trade Commissioner at Auckland, New Zealand, for equipment required by the Public Works Department, Wellington. These specifications are open for inspection at the Department of Trade and Commerce, Ottawa. Tenders should be addressed to the Secretary, Public Works Supplies and Tenders Committee, Wellington, in accordance with these specifications.

Particulars are as follows:—

Public Works Department.—Mangahao Scheme: Section 477, 5,000 KVA transformer bank and spare (tenders close February 21, 1939); Section 475, 10,000 KVA bank, 110KV/50 KV and spare (tenders close February 14, 1939); Section 474, 7,500 KVA bank 50 KV/11 KV and spare (tenders close February 14, 1939). Waikaremoana Scheme: Section 176, 10,000 KVA transformer bank and spare (tenders close February 21, 1939); Section 175, 7,500 KVA bank, 50 KV/11 KV and spare (tenders close February 14, 1939); Section 179, 140 post insulator units and adapters (tenders close February 14, 1939); Section 177, 80-ton 4-motor travelling electric crane (tenders close February 14, 1939). Southland Scheme: Section 70, 4,500 KVA transformer bank (tenders close February 14, 1939); Section 72, 11,000 volt, metal-clad switchgear and accessories (tenders close February 14, 1939). Westland Scheme: Section 66, 1,000 KVA 66 KV/11 KV bank and spare (tenders close February 28, 1939). Earnsclough Irrigation System, remote control, remote supervisory and remote recording equipment (tenders close February 14, 1939).

Canadian Manufacturers and Exporters are strongly advised to file all numbers of the "Commercial Intelligence Journal" for future reference, and to bind them with the Index at the end of each half year.

FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING NOV. 28, 1938

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, November 28, 1938, and for the week ending Monday, November 21, 1938, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending Nov. 21	Nominal Quotations in Montreal Week ending Nov. 28	Official Bank Rate
Austria	Schilling	.1407	\$. .1704	\$.1702	—
Belgium	Belga	.1001	.0124	.0124	2½
Bulgaria	Lev	.0072	.0345	.0344	6
Czechoslovakia	Koruna	.0296	.2111	.2086	3
Denmark	Krone	.2680	.0209	.0206	4
Finland	Markka	.0252	.0264	.0261	4
France	Franc	.0392	.4036	.4029	2½
Germany	Reichsmark	.2382	4.7300	4.6750	4
Great Britain	Pound	4.8666	.0087	.0086	2
Greece	Drachma	.0130	.5482	.5474	6
Holland	Guilder	.4020	.2989	.2983	2
Hungary	Pengo	.1749	.1981	.1975	4
	Unofficial		.0530	.0529	—
Italy	Lira	.0526	.0229	.0228	4½
Yugoslavia	Dinar	.0176	.2376	.2349	5
Norway	Krone	.2680	.1895	.1891	3½
Poland	Zloty	.1122	.0428	.0425	4½
Portugal	Escudo	.0442	.0074	.0073	4-4½
Roumania	Leu	.0060	.0503	.0510	3½
Spain	Peseta	.1930	.2436	.2408	5
Sweden	Krona	.2680	.2275	.2284	2½
Switzerland	Franc	.1930	1.0081	1.0059	1½
United States	Dollar	1.0000	.2007	.2009	—
Mexico	Peso	.4985	1.0074	1.0052	—
Cuba	Peso	1.0000	.0264	.0261	—
Guadeloupe	Franc	.0392	4.7400	4.6850	—
Jamaica	Pound	4.8666	.0264	.0261	—
Martinique	Franc	.0392	.9853	.9740	—
Other British West Indies	Dollar	1.0138	.3153	.3116	—
Argentina	Peso (Paper)	.4245	.2309	.2278	3½
	Unofficial		.0591	.0590	—
Brazil	Milreis (Paper)	.1196	.9853	.9740	—
British Guiana	Dollar	1.0138	.0522	.0521	4½
Chile	Peso	.1217	.0403	.0402	—
	Unofficial		.5752	.5732	4
Colombia	Peso	.9733	.2016	.2012	6
Peru	Sol	.2800	.3125	.3118	—
Venezuela	Bolivar	.1930	.6224	.6149	—
Uruguay	Peso	1.0342	4.7237	4.6687	3½
South Africa	Pound	4.8666	4.8500	4.7887	—
Egypt	Pound (100 Piastres)	4.9431	.1603	.1573	—
China (Shanghai)	Dollar	.....	.2948	.2909	—
Hongkong	Dollar	.....	.3531	.3491	3
India	Ruppee	.3650	.2755	.2723	3.29
Japan	Yen	.4985	.5483	.5481	—
Java	Guilder	.4020	.4335	.4285	—
Siam	Baht (Tical)	.4424	.5504	.5434	—
Straits Settlements	Dollar	.5678	3.7837	3.7400	3
Australia	Pound	4.8666	3.7987	3.7550	4
New Zealand	Pound	4.8666			

The Dominion Bureau of Statistics has supplied the following note:—

Declines in the British pound and French franc continued to dominate foreign exchanges. Apparently unable to find any supporting level, the pound broke sharply from an opening quotation of \$4.7007 on November 22 to \$4.6564 on the 26th. A vigorous rally, however, attributed mainly to official intervention on the part of the British Equalization Fund, brought it back almost 2 cents to \$4.6748 on November 28. Exchange circles were inclined to ascribe most of the pressure on sterling to a continued flight of capital to the United States and also to the unfavourable position of the French franc due to internal political dissension. As opposition to Premier Daladier's recovery program increased, French francs were sold heavily, and the French Stabilization Fund sold sterling in order to maintain sterling franc parity, thus placing more pressure on the British unit. Bar gold at London continued in tremendous demand during this period, and a new all-time high of 150s. was touched on November 26. Independent foreign currencies showed negligible changes during the week, although the Swiss franc recorded a moderate gain. Canadian funds displayed a firmer tendency, and the premium on the United States dollar receded from $\frac{3}{4}$ to $\frac{19}{32}$ of 1 per cent between November 22 and 28.

TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

Secretary, Board of Trade—

Saint John, N.B.
Halifax, N.S.
Quebec, P.Q.
Montreal, P.Q.
Toronto, Ont.
Chatham, Ont.

Kitchener, Ont.
Brantford, Ont.
Stratford, Ont.
Woodstock, Ont.
St. Mary's, Ont.
Portage la Prairie, Man.

St. Boniface, Man.
Winnipeg, Man.
Vancouver, B.C.
New Westminster, B.C.

Secretary, Chamber of Commerce—

Sherbrooke, P.Q.
Kingston, Ont.
Oshawa, Ont.
Belleville, Ont.

Peterborough, Ont.
London, Ont.
St. Catharines, Ont.
Hamilton, Ont.

Victoria, B.C.
Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.—

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

Secretary, Canadian Manufacturers Association—

Toronto, Ont.
Montreal, P.Q.

Winnipeg, Man.
Edmonton, Alta.

Vancouver, B.C.
Victoria, B.C.

Director, Trade Extension, Victoria, B.C.

Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.

Commodity	No.	Location of Inquirer	Purchase or Agency
Foodstuffs—			
Honey.....	591	Birmingham, England.....	Agency.
Cheese, Cheddar and Processed..	592	Port of Spain, Trinidad....	Agency.
Sardines (Canned).....	593	Baghdad, Iraq.....	Agency..
Miscellaneous—			
Wrapping Paper.....	594	Nicosia, Cyprus.....	Agency.
Leather.....	595	Stourbridge, England.....	Purchase.
Sodium Silicate.....	596	Lisbon, Portugal.....	Agency.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Saint John

To Liverpool.—Duchess of York, Dec. 9 and Jan. 6; Duchess of Richmond, Dec. 13; Duchess of Atholl, Dec. 15; Montrose, Dec. 23; Montclare, Dec. 30—all Canadian Pacific.

To London.—Beaverburn, Dec. 8 and Jan. 5; Beaverhill, Dec. 15; Beaverdale, Dec. 22; Beaverford, Dec. 29—all Canadian Pacific.

To Manchester.—Manchester City, Dec. 8; Manchester Division, Dec. 15; Manchester Regiment, Dec. 22; Manchester Port, Dec. 29; Manchester Commerce, Jan. 5—all Manchester Line.

To Southampton.—Duchess of Richmond, Canadian Pacific, Dec. 13.

To Avonmouth, Cardiff and Swansea.—Dakotian, Dec. 15; Dorelian, Dec. 31—both Cunard-Donaldson and Dominion Lines.

To Glasgow.—Athenia, Dec. 10; Sulairia, Dec. 21; Delilian, Jan. 7—all Donaldson-Atlantic Line.

To Newcastle and Leith.—Cairnesk (calls at Dundee), Dec. 13; Cairnmona, Dec. 20; Cairnross, Dec. 27; Cairnvalona, Jan. 3; Cairnglen (calls at Dundee), Jan. 10—all Cairn-Thomson Line.

To Dublin and Belfast.—Torr Head, Head Line, Dec. 15 (cargo accepted for Cork and Londonderry).

To Hamburg.—Beaverford, Canadian Pacific, Dec. 29.

To Antwerp.—Beaverhill, Dec. 15; Beavertdale, Dec. 22—both Canadian Pacific.

To Marseilles, Genoa, Leghorn, Naples, Messina, Palermo, Gibraltar and Lisbon.—Capo Lena, Dec. 21; Capo Olmo, Jan. 18—both Capo Line (will also call at Cadiz and/or Seville and/or Casablanca if sufficient cargo offers).

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Hawkins, Dec. 7; Lady Drake, Dec. 21; Lady Nelson, Jan. 4—all Canadian National.

To Kingston and Jamaican Outports.—Darien, Dec. 17; a steamer, Dec. 31 and Jan. 14—all United Fruit Co.

To Brisbane, Sydney, Melbourne and Adelaide.—Kaikoura, Montreal Australia New Zealand Line, Dec. 30.

To Auckland, Wellington, Lyttelton and Dunedin.—City of Glasgow, Montreal Australia New Zealand Line, Dec. 21.

To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Madras, Rangoon, Calcutta and Singapore.—City of Khios, Dec. 14; City of Wellington, Dec. 26—both Canada-India Service.

To Cape Town, Port Elizabeth, East London and Durban.—Bereby, Dec. 15; Mattawin (also calls at Freetown, Lourenco Marques and Beira), Dec. 27—both Elder Dempster Lines Ltd.

From Halifax

To Liverpool.—Duchess of York, Dec. 10; Duchess of Richmond, Dec. 14; Duchess of Atholl, Dec. 16; Montrose, Dec. 24; Montclare, Dec. 31—all Canadian Pacific; Nova Scotia, Furness Line, Dec. 24; Manchester Brigade, Manchester Line, Dec. 29.

To London.—Beaverburn, Dec. 9 and Jan. 6; Beaverhill, Dec. 16; Beavertdale, Dec. 23; Beaverford, Dec. 30—all Canadian Pacific; Aurania, Dec. 10; Ascania, Dec. 17; Ausonia, Dec. 23; Alaunia, Dec. 31—all Cunard-White Star Line.

To Manchester.—Manchester City, Dec. 10; Manchester Division, Dec. 17; Manchester Regiment, Dec. 24; Manchester Port, Dec. 31; Manchester Commerce, Jan. 7—all Manchester Line.

To Southampton.—Duchess of Richmond, Canadian Pacific, Dec. 14.

To Newcastle and Leith.—Cairnesk (also calls at Dundee), Dec. 15; Cairnmona, Dec. 22; Cairnross, Dec. 29; Cairnvalona, Jan. 5; Cairnglen (also calls at Dundee), Jan. 12—all Cairn-Thomson Line; Bassano, Ellerman's Wilson Line, Dec. 8 (does not call at Leith).

To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.—Gloucester City, Dec. 23; Boston City, Jan. 11—both Bristol City and Dominion Lines; Dakotian, Dec. 17; Dorelian, Jan. 4—both Cunard-Donaldson and Dominion Lines.

To Aberdeen and Hull.—Bassano, Ellerman's Wilson Line, Dec. 8.

To Glasgow.—Athenia, Dec. 12; Sulairia, Dec. 24; Delilian, Jan. 10—all Donaldson-Atlantic Line.

To Copenhagen and Gdynia.—Batory, Gdynia-American Line, Dec. 13.

To Gothenburg.—Gripsholm, Swedish-American Line, Dec. 9; Braheholm (also calls at other Scandinavian ports), Swedish-America-Mexico Line, Dec. 27.

To Antwerp.—Beaverhill, Dec. 16; Beavertdale, Dec. 23—both Canadian Pacific.

To Hamburg.—Beaverford, Canadian Pacific, Dec. 30.

To St. John's, Nfld.—Fort Amherst, Furness-Red Cross Line, Dec. 5 and 19 (also calls at St. Pierre); Portia, Newfoundland Ry. and SS. Co., Dec. 7 and 23; Belle Isle, Dec. 12 and 26 (also calls at St. Pierre); Magnhild, Dec. 15 and 29 (also calls at St. Pierre and Newfoundland outports)—both Newfoundland-Canada SS. Ltd.; Nova Scotia, Furness Line, Dec. 24.

To Hamilton, Nassau, Kingston and Belize.—Lady Somers, Dec. 8; Cathcart (calls at Kingston only), Dec. 15; Lady Rodney, Dec. 22; Cavelier (calls at Kingston only), Dec. 29—all Canadian National.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Hawkins, Dec. 15; Lady Drake, Dec. 29; Lady Nelson, Jan. 4—all Canadian National; a steamer, Ocean Dominion SS. Corp., about Dec. 12 (calls at Guadeloupe and Martinique if sufficient cargo offered but not at Nevis or Montserrat).

To Puerto Rico, Barbados, Trinidad and Demerara.—Chomedy, Dec. 10; Colborne, Dec. 24; Chomedy, Jan. 14—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To Santiago (Cuba) and Kingston (Jamaica).—Kirsten B, Dec. 14; Lillemor, Dec. 28—both Pickford & Black Ltd. (also call at Jamaican outports as cargo offers).

To Brisbane, Sydney, Melbourne and Adelaide.—Kaikoura, Montreal Australia New Zealand Line, Dec. 17 (will also call at Geelong).

To Auckland, Wellington, Lyttelton and Dunedin.—City of Glasgow, Montreal Australia New Zealand Line, Dec. 30.

To Far East Ports.—Siamese Prince, Furness-Prince Line, Dec. 22.

From Vancouver

To Yokohama, Kobe and Osaka.—Heian Maru, Dec. 22; Hie Maru, Jan. 24—both Nippon Yusen Kaisha.

To Yokohama, Kobe, Shanghai, Hongkong and Manila.—Empress of Japan (calls at Honolulu), Dec. 10; Empress of Asia (calls at Nagasaki), Dec. 24; Empress of Canada (calls at Honolulu), Jan. 7; Empress of Russia (calls at Nagasaki), Jan. 21—all Canadian Pacific; Talthybius, Dec. 22; Tyndareus, Jan. 19—both Blue Funnel Line (call at Miike but not at Manila).

To Dairen.—Dallington Court, early December; Anneliese Essberger, middle December—both North Pacific Shipping Co. Ltd.

To Honolulu, Suva, Auckland and Sydney.—Niagara, Dec. 21; Aorangi, Jan. 18—both Canadian-Australasian Line.

To Manila, Iloilo, Cebu, Soerabaya, Samarang, Batavia, Colombo and Bombay.—Hopecrest (calls at Belawan Deli, also at Singapore, Port Swettenham and Penang if cargo offers), Dec. 24; Bengkalis (calls at Saigon, Singapore and Persian Gulf ports, also at Port Swettenham, Belawan Deli and Penang if cargo offers), Jan. 1; Salawati (calls at Belawan Deli, also at Singapore, Port Swettenham and Penang if cargo offers), Jan. 24—all Silver-Java Pacific Line.

To Papeete, Auckland, Wellington and Sydney.—Cape Horn (also calls at Rarotonga, Napier, New Plymouth, Lyttelton and Dunedin), early December; Tolten (also calls at Melbourne and Lyttelton), Jan. 9—both Canadian-Australasian Line.

To Brisbane, Sydney, Melbourne and Adelaide.—Themoni, Dec. 8; Anten, Jan. 25—both Empire Shipping Co. Ltd.

To London, Liverpool and Rotterdam.—Delftdyk (also calls at Glasgow), Dec. 10; Dinteldyk, Dec. 24; Lochavon (also calls at Glasgow), Jan. 7; Lochkatrine, Jan. 21—all North Pacific Coast Line (will call at Southampton if inducements offer).

To Antwerp, Hamburg and Bremen.—Este, Dec. 22; Schwaben, Jan. 18—both North German Lloyd Line; Seattle, Dec. 15; Tacoma, Jan. 2—both Hamburg-American Line.

To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.—San Mateo, Dec. 6; Fort Royal, Dec. 11; Wyoming, Dec. 24—all Empire Shipping Co. Ltd.

To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.—Cellina, Dec. 4; Leme, Jan. 5—both Empire Shipping Co. Ltd.

To Cape Town, Port Elizabeth, Durban and Lourenco Marques.—Silverpalm, Dec. 6; Madoera, Jan. 6—both Silver-Java Pacific Line (call at Beira, East London and Calcutta, will also call at Colombo and Madras if sufficient cargo offers); Hope Crown, North Pacific Shipping Co. Ltd., end of December.

To Port of Spain (Trinidad) and Bridgetown (Barbados).—Belnor, Canadian Transport Co., about Dec. 15.

To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.—Brandanger, Dec. 27; Hardanger, Jan. 27—both Empire Shipping Co. Ltd. (will call at West Coast ports if sufficient cargo offered).

Note.—Firms who desire information concerning ocean and mail services may have their names placed on the mailing list of the Post Office Weekly Bulletin by applying to the Post Office Department.

COMMERCIAL INTELLIGENCE SERVICE

L. D. WILGRESS, *Director*

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Australia

Sydney: L. M. COSGRAVE. Address for letters—P.O. Box No. 3952V. Office—City Mutual Life Building, Hunter and Bligh Streets. (Territory includes the Australian Capital Territory, New South Wales, Queensland, Northern Territory and Dependencies.) *Cable address, Canadian.*

Melbourne: FREDERICK PALMER. Address for letters—Box 196C, G.P.O. Office—Safe Deposit Office Building. (Territory includes States of Victoria, South Australia, Western Australia, and Tasmania.) *Cable address, Canadian.*

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L. S. GLASS. Address for letters—Caixa Postal 2164, Rio de Janeiro. Office—Ed. Da. "A. Noite," Sala 802, Praca Maua. *Cable address, Canadian.*

British India

PAUL SYKES. Address for letters—P.O. Box 2003, Calcutta. Office—23 Esplanade Mansions, Government Place East, Calcutta. (Territory includes Burma and Ceylon.) *Cable address, Canadian.*

British Malaya

B. C. BUTLER, Union Building, Singapore, Straits Settlements. (Territory includes the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India.) *Cable address, Canadian.*

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CANADIAN GOVERNMENT TRADE COMMISSIONERS—*Con.*

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Kobe: P. V. McLANE. Address for letters—P.O. Box 230, Kobe. Office—309 Crescent Building, 72 Kyomachi, Kobe. *Cable address, Canadian.*

Mexico

R. T. YOUNG. Address for letters—Apartado Num. 126-Bis, Mexico City. Office—Edificio Banco de Londres y Mexico, Num. 30, Mexico City. (Territory includes Guatemala, Honduras, and Salvador.) *Cable address, Canadian.*

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Cape Town: G. R. HEASMAN. Address for letters—P.O. Box 683. Office—Cleghorn & Harris Building, Adderley Street. (Territory includes Cape Province and Southwest Africa, Natal, Tanganyika, Kenya, Uganda, Mauritius, and Madagascar.) *Cable address, Cantracom.*

Johannesburg: J. L. MUTTER. Address for letters—P.O. Box 715. Office—Prudential Assurance Bldg., 92 Fox Street. (Territory includes Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland.) *Cable address, Cantracom.*

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London: FREDERIC HUDD, Chief Trade Commissioner in the United Kingdom, Canada House, Trafalgar Square, S.W.1. *Cable address, Sleighing, London.*

London: J. H. ENGLISH, Trade Commissioner, Canada House, Trafalgar Square, S.W.1. (Territory includes Home Counties, Southeastern Counties, and East Anglia.) *Cable address, Sleighing, London.*

London: W. B. GORNALL, Fruit Trade Commissioner, Aldine House, Bedford Street, Strand, W.C.2. *Cable address, Canfrucum.* (Territory—for fresh fruit only—includes United Kingdom, Norway, Denmark, Sweden, France, Holland, Belgium, and Germany.)

London: W. A. WILSON, Animal Products Trade Commissioner, Canada House, Trafalgar Square, S.W.1. *Cable address, Agrilson.*

Liverpool: ACTING TRADE COMMISSIONER, Martins Bank Building, Water Street. (Territory includes North of England, Lincolnshire, North Midlands, and North Wales.) *Cable address, Canadian.*

Bristol: E. L. MCCOLL, Northcliffe House, Colston Avenue. (Territory includes West of England, South Wales, and South Midlands.) *Cable address, Canadian.*

Glasgow: G. B. JOHNSON, 200 St. Vincent Street. (Territory covers Scotland.) *Cable address, Cantracom.*

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D. S. COLE, British Empire Building, Rockefeller Center, New York City. (Territory includes Bermuda.) *Cable address, Cantracom.*

Note.—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.

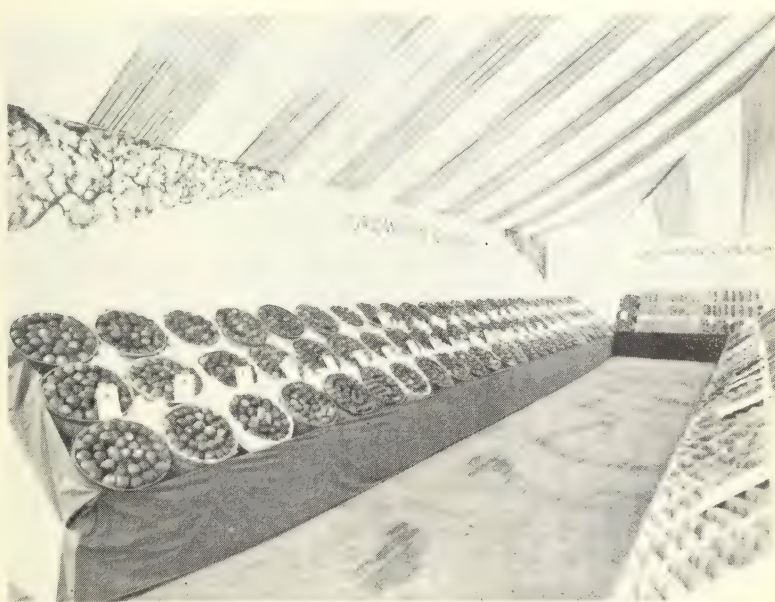
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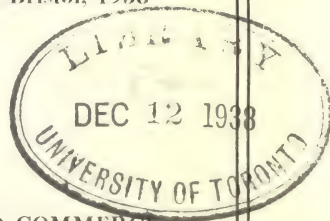
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Ottawa, December 10, 1938

No. 1819



Part of the Canadian Exhibit at the Imperial Fruit Show, Bristol, 1938



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THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE
JAMES G. PARMELEE, DEPUTY MINISTER

CONTENTS

	Page
Change of Address: Berlin Office	993
Business Conditions in the South Midlands	993
Imperial Fruit Show, Bristol, 1938	995
Fertilizers in the West of England	995
Conditions in the Lancashire Cotton Industry	999
British Guiana Trade in 1937	1000
Hongkong Flour Market Conditions	1005
Palestine's Wheat and Flour Trade	1006
Canned Asparagus Trade in Egypt	1011
Codfish Market in Portugal	1011
Portuguese Leather Imports	1013
Five-year Plan for Iraq	1015
Japan's Population, 1938	1015
Tariff Changes and Customs Regulations	1015
Tenders Invited: New Zealand	1018
Foreign Exchange Quotations	1019
Trade Inquiries for Canadian Products	1020
Proposed Sailings from Canadian Ports	1021
Commercial Intelligence Service	1023

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Vol. LIX

Ottawa, December 10, 1938

No. 1819

CHANGE OF ADDRESS: BERLIN OFFICE

Effective January 1, 1939, the office of the Canadian Trade Commissioner at Berlin (whose territory comprises Germany, Czechoslovakia, and Poland) will be transferred from Bendlerstrasse 38, Berlin W. 35, to 801 Columbus-Haus, Potsdamer Platz 1, Berlin, W. 9.

BUSINESS CONDITIONS IN THE SOUTH MIDLANDS

E. L. MCCOLL, CANADIAN TRADE COMMISSIONER

Bristol, November 17, 1938.—The number of factories in this territory making domestic articles runs into the thousands and practically without exception these are experiencing the regular seasonal Christmas activity.

BIRMINGHAM

Birmingham, known as the home of a thousand trades, is the chief city of the Midlands. The heavy engineering industries predominate, but household utensils, shelf hardware, copper and its alloys, munitions, and many other commodities are also pre-eminent.

Some firms report a shortage of skilled workers. The increased building of ships for the Navy and the enormous expansion of the Air Force has brought into relief the need for apprentices. On the other hand, a few industries report considerable unemployment, but this applies to unskilled labour.

Satisfactory conditions are reported in production of the ordinary grades of foundry pig-iron, strip and small bars, sheet, and many other sections of the finished iron trade. Bright drawn steel, which is based on £17 15s. 0d. per ton, is in steady demand for motor vehicles, defence work, and other trades. Fresh activities are apparent in many factories which have previously been working on short time.

COVENTRY

Coventry is experiencing a revival of trade. Employment figures are up nearly 1,000 during the last month. This condition, however, has not improved unemployment, due to the number who have come into the area seeking work. Still noted for its motor cars, cycles, watches, and ribbons, this city has added several major lines to its list of industries. These include armaments, telephone apparatus, and radio instruments, all of which are working with increased activity. The "Coronation Scot," which is to visit the New York World's Fair, will be fitted with a Coventry train telephone in all first and third class compartments to permit passengers to communicate with the dining-car steward. The liner *Queen Elizabeth* is to have a system of 600 telephones from the same source of supply. Overseas orders for such equipment are also good. The easement in the international situation is reflected in an improvement in all industries, and not the least of these—the motor car trade. In some cases, orders on the books are in excess of those for the corresponding period of last season. Motor cycle sales are well in advance of last year both at home and

on the Continent, in India, and in South America. In every way prospects are satisfactory.

GLOUCESTERSHIRE

There is marked activity in shipping about the docks and canal of Gloucester, the main town of this west midland county, which is noted for its chemical, soap, and match industries. Recent cargoes of special interest included cider apples from France, lumber, grain, and petrol. The approaching Christmas trade is promoting increased manufacture of confectionery, including cake flour, and in the cardboard box and small container industries.

LEICESTER

Manufacturers of hosiery, boots and shoes are reported to be more active than they were a month ago. Slightly larger stocks are being built up for Christmas by the retail and wholesale trade. The retail demand for hosiery, however, is being retarded by the mild weather which has prevailed. The long view is not as optimistic as the seasonal one. The former takes count of a pronounced drift of the hosiery industry from the Midlands to Lancashire, where wages are lower and where technical skill is developing. Shoe manufacturers are not enjoying the full degree of activity expected at this season. Incidentally, shoe designs have higher fronts with more substantial soles, the trend being referred to as more sensible than formerly. Building has fallen off and quietness is also reported in the machine tool section of engineering. On the whole, conditions show an improvement over the last few months, although they have not come up to seasonal expectations.

FOREIGN TRADE

No foreign trade figures are compiled for particular sections of the country, but those issued by the Board of Trade for the United Kingdom, published on November 14, apply with relative importance to this great industrial area. The Board of Trade returns for October showed that exports of produce and manufactures amounted in value to £42,559,996, showing a decline of 9·8 per cent from that of the corresponding month last year. However, this value is in excess of the same month for 1935 and 1936, when the figures were £41,764,413 and £39,864,711 respectively.

Exports for October, 1936, 1937, and 1938, of the three classifications of products which take a prominent place in Midland industry were as follows:—

	1936	1937	1938
Machinery	£3,589,557	£4,649,913	£4,838,978
Motor cars and parts	1,394,590	1,514,580	1,245,938
Iron and steel	3,333,949	4,478,435	3,436,142

Total imports into the United Kingdom for October were valued at £79,034,856, a decline of 17·8 per cent from October, 1937, and 2 per cent from 1936. Some of the items of interest to Canada were as follows:—

	Quantities		Values	
	1937	1938	1937	1938
Cattle, for foodNo.	66,249	88,422	£ 676,877	£1,187,905
BaconCwts.	566,360	570,975	2,523,543	2,594,157
CheeseCwts.	280,898	261,359	940,912	892,738
Corn and wheatCwts.	8,774,092	8,222,224	4,487,332	2,416,236
Wheat flourCwts.	692,146	619,221	452,517	263,343
BarleyCwts.	2,097,972	2,085,639	837,576	595,940
OatsCwts.	30,270	121,517	11,981	34,375
Eggs, in shell1,000 doz.	21,991	24,783	1,144,140	1,238,627
Wood and timber . . . . .	.....	.....	6,956,365	4,660,883

Trade returns by countries for the first nine months of 1938 were also published on November 14. Empire countries took just 50 per cent of United Kingdom exports compared with 47·8 per cent last year, while the United Kingdom imported 40·6 per cent of Empire goods as against 40·3 per cent last year.

IMPERIAL FRUIT SHOW, BRISTOL, 1938

W. B. GORNALL, CANADIAN FRUIT TRADE COMMISSIONER

London, November 12, 1938.—Canadian apple growers participated to a much greater extent than in any previous year in the Imperial Fruit Show held at Bristol from October 28 to November 5, and made a splendid showing. Entries from Canada numbered 132 as compared with 159 English entries, and the fine quality of the Canadian fruit exhibited drew favourable comment from public and press alike.

In the culinary classes of the British Empire section, open to all growers within the Empire, two entries from British Columbia were outstanding, winning both first and second prizes. Nova Scotian growers made a great effort to capture the blue riband of the British Empire and a fine entry of Starks in the culinary classes just failed to take the winning award. In the dessert classes Canada was unsuccessful, all prizes being awarded to English growers.

In the Canadian championship section there was a large exhibit, comprising an excellent selection of varieties of high-quality fruit. The hamper pack from Nova Scotia and the boxes from British Columbia provided the judges with a difficult task in determining the winning entries.

GOVERNMENT AND OTHER EXHIBITS

Many thousands of cooked samples and recipes were distributed from the Canadian Government stand, where public demonstrations were given to show the numerous methods of preparing Canadian apples. Five thousand large, selected apples of the Delicious, McIntosh, and Newtown varieties were sold at 2d. each, and nearly 12,000 samples of two apples each (McIntosh and Wagener) were distributed free to the public.

An outstanding feature of the show was the trade stand organized on behalf of the Associated Growers of British Columbia Limited by their United Kingdom agents. In this stand an imposing display of highly-coloured fruit was arranged in an artistic design.

WINDOW DRESSING COMPETITION

The Imperial Fruit Show extended its activities to the retail trade and organized a window dressing competition in which 104 shops took part. The shop which won the grand challenge cup employed about 80 per cent Canadian apples in its display.

This excellent publicity was confined to the Bristol area, of course, but the Dominion Government is conducting an advertising campaign in co-operation with the retail trade in the Liverpool and Glasgow areas. Special displays are being made in several thousand shops and these displays are being supplemented by newspaper and outdoor advertising.

FERTILIZERS IN THE WEST OF ENGLAND

L. H. AUSMAN, ASSISTANT TRADE COMMISSIONER

Bristol, November 12, 1938.—Recent international developments have served to stress the importance which many observers have placed upon the desirability of increasing agricultural production in the United Kingdom so that this country will not, in the event of an emergency, be seriously imperilled for lack of essential home-grown foods. Attention has accordingly been focussed on the use of appropriate fertilizers.

TECHNICAL ADVICE TO FARMERS

The means adopted by the Ministry of Agriculture to advise farmers on this and other branches of agriculture has been by the establishment of

Provincial Advisory Centres associated with universities or agricultural colleges but financed largely by grants from the Government. There are thirteen Centres throughout the country, four of them in the West of England and South Wales. With regard to fertilizers, any farmer, market gardener, fruit grower or nurseryman, may apply through his local County Agricultural Organization to have his soil tested and receive suggestions as to the nature and quantity of fertilizers which can be used to best advantage.

REGULATIONS GOVERNING THE SALE OF FERTILIZERS

The sale, including the importation, of fertilizers in the United Kingdom is controlled by the Fertilizers and Feedingstuffs Act, 1926, and the regulations laid down thereunder. The principal feature of the Act is the requirement that all fertilizers offered for sale must be accompanied by a statement giving an analysis of the product. This statement must provide particulars concerning the amounts of the plant foods the product contains, whether it is a straight or a compound fertilizer. The only exceptions are in the case of mixtures compounded at the request of the purchaser according to his specified prescription, and of small quantities of 56 pounds or less which are taken in the presence of the purchaser from a parcel bearing a conspicuous label on which are marked the particulars required by the Act.

The Act provides in addition that all fertilizers sold by commonly accepted names, such as superphosphate, basic slag, and bone meal, must conform with the definitions which are set out in the Act. Furthermore, the amounts of nitrogen, phosphoric acid, potash and calcium stated in the analysis must not exceed the limits of variation prescribed for each fertilizer material, which are set out in detail as percentages of the whole bulk.

NOTES ON VARIOUS FERTILIZERS

The following paragraphs contain brief notes regarding the nature and value of some of the commercially important fertilizers. Where statistics are available an indication is given of the volume of imports and the principal sources of supply during 1936. Prices, where available, are those paid by local agricultural merchants or farmers and are for delivery to country stations in the West of England, South Wales or South Midlands, on the basis of minimum lots, which differ in size, but are generally in the neighbourhood of about six tons. With regard to some of the organic and waste materials, however, it must be realized that the prices vary considerably, depending on quality and the distance at which they are sold from their source.

ORGANIC FERTILIZERS

Poultry Manure.—Either naturally or artificially dried, this product provides a fertilizer containing supplies of all three essential plant nutrients, although the amount of potash is relatively unimportant. The price is in the neighbourhood of £4 to £5 per ton.

Natural Guano.—Before the introduction of modern artificial fertilizers the excrement and remains of sea-fowl, which was found in abundance on the coast and islands of Peru, was imported in large quantities. Imports, which in 1934 amounted to 16,993 tons, chiefly from Peru, the Seychelles and Southwest Africa, dropped to 7,125 tons in 1936. Since 1935 there have been practically no imports from Peru, and supplies from other sources, such as Chile, Argentina and the Seychelles, are not considered to be equal to the Peruvian in quality.

Fish Meal, Guano or Waste.—These terms refer to a product consisting chiefly of the wastes and offal from the fish curing factories. The refuse is dried, the oil extracted and the resulting product finely ground. The oil content of the finished product should not exceed 3 per cent, otherwise its value as a manure is considerably diminished and the plant foods rendered less available owing to the retarding of decomposition. The analyses generally show nitrogen and insoluble phosphoric acid varying according to the proportions of flesh and bone present. Fish manures are frequently manufactured so as to contain a proportion of soluble phosphoric acid and additional potash. Nearly 8,000

tons of fish meal were imported into the United Kingdom in 1936, of which 5,273 tons came from Canada. Part of this quantity was for fertilizers and part for feedstuffs use. The price of the fertilizer quality for supplies currently due to arrive from India is £8.12s.6d. per ton ex wharf London. Fish waste varies from £1 per ton for raw heads to £6 for fish offal or low grade meal. The better grades of meal go as high as £13 per ton, but these are seldom used as fertilizers.

Meat Meal or Guano.—This is sometimes referred to as slaughter-house refuse, tankage or viscera, depending upon its quality. The material is dried and ground up for fertilizer purposes and is usually mixed with bone meal to standardize the phosphorus content and ensure a more or less uniform product. Import figures are grouped with "other fertilizers," including dried blood, and amounted in 1936 to 10,140 tons, of which Canada supplied 1,352 tons. Other principal suppliers were Argentina, British India and New Zealand. English meat and bone meal is quoted at £7 17s. 6d. per ton for 6 per cent ammonia and 18 per cent phosphates, and at £8 7s. 6d. for 7 and 20 per cent, respectively. Meat and bone guano of $7\frac{1}{4}$ per cent ammonia and 5 to 7 per cent phosphate is £5 13s. 9d. per ton.

Bone Meals.—Bones are the oldest form of phosphatic manure. There are several types of fertilizers manufactured from bones by various methods. These include raw bones, bone meal, steamed bone flour, and dissolved bones. Imports of bones for manure were 9,050 tons in 1936, the chief sources of supply being Argentina, Morocco and India. "Other manufactured fertilizers including guano and bone meal" were imported to the extent of 25,719 tons, mostly from India, Falkland Islands and Belgium. Canada is credited with only 50 tons, although in 1934 she supplied 1,151 tons. Prices to buyers in the Midlands, carriage paid to stations, for certain bone meals are approximately as follows: raw bone meal, containing $4\frac{1}{2}$ per cent nitrogen and 45 per cent tricalcic phosphate, £8; bone meal (English), $4\frac{1}{2}$ per cent nitrogen and 50 per cent phosphate, £8 7s. 6d.; bone meal (Indian) $4\frac{1}{2}$ per cent nitrogen and 45 per cent phosphate, £7 12s. 6d.; steamed bone flour, 1 per cent nitrogen and 60 per cent phosphate, £6 12s. 6d.; dissolved bones, £6 10s. ex works Midlands.

Dried Blood.—The blood when dried, processed and ground to a fine powder, contains an average of 12 per cent nitrogen. Current prices for 15 to 17 per cent ammonia content range from £12 to £15 per ton ex works in various districts.

Hoofs and Horns.—Finely ground hoofs and horns, either mixed or separate, have a good reputation principally among market gardeners. Import statistics are not separately shown, although some supplies come from India, Argentina, and other countries. Prices are £11 2s. 6d. to £12 per ton for English crushed hoof-and-horn containing $16\frac{1}{2}$ per cent ammonia, and £12 10s. to £13 for either hoofs or horns separately containing $17\frac{1}{2}$ per cent ammonia.

CHEMICAL FERTILIZERS

The choice of the various chemical materials as fertilizers, either alone or in combination, depends upon their available supplies of the three chief plant foods together with calcium. In the following paragraphs the more important materials falling under these classifications are briefly discussed.

Sulphate of Ammonia.—In its pure state ammonium sulphate contains 21.2 per cent of nitrogen, while the fertilizer, as a fine crystalline powder in the so-called "dry neutral" form, is guaranteed to contain 20.6 per cent. Practically all of the ammonium sulphate used in the United Kingdom is produced here either as a by-product of coke and gas works or synthetically by the "fixation" of atmospheric nitrogen. It is estimated that half the domestic production is exported. The October price for 6-ton lots packed in 2-cwt. bags and delivered to buyer's nearest station is £7 6s. 6d. per ton, with an increase of 1s. 6d. for each succeeding month till March-June delivery. This sliding scale is fixed to encourage buyers to purchase early in the season.

Nitro-Chalk.—This is a recently introduced fertilizer of British manufacture and consists of a mixture of ammonium nitrate and chalk. It contains $15\frac{1}{2}$ per cent of nitrogen, half present as ammonia and half as nitrate, and 48 per cent carbonate of lime, and thus combines the advantages of both forms of nitrogen and of the lime. The price set for the current season is £7 10s. 6d. per ton.

Nitrate of Soda.—Nitrate of soda is an old-established fertilizer. Although sometimes used in moderate amounts in mixtures, it finds its most important use as a rapidly acting top dressing for all kinds of crops. Imports amounting to 46,798 tons in 1937 were almost entirely from Chile, where the deposits have been worked for over a century. The current standard price is £8 per ton for both the granulated (16 per cent nitrogen) and crystal (15 per cent nitrogen) form.

Calcium Cyanamide.—This nitrogen material is manufactured by the union of atmospheric nitrogen with calcium carbide at a high temperature and contains about 20.6 per cent of nitrogen and about 22 per cent of free lime and other calcium compounds. Granular

cyanamide, which has been on the Canadian and American market for some time, is now being tried here for the first time. Imports, chiefly from Norway, were 2,146 tons in 1936. The present price is £7 11s. 3d. for powder and £8 1s. 3d. for granular, with 1s. 3d. per ton added for each succeeding month till April-June delivery.

Mineral Rock Phosphate.—Imports of rock phosphate in 1936 amounted to 427,490 tons, and the principal sources were North Africa, the United States, Belgium, Russia, the Netherlands and various Pacific Islands. Prices depend upon composition and fineness and vary from £3 5s. to £4 8s. 6d. per ton delivered.

Superphosphate.—This is by far the most widely used of all artificial fertilizers. It is made by treating mineral rock phosphates with sulphuric acid and is thus commonly known as "acid phosphate." Under the Fertilizers and Feedingstuffs Act superphosphate is sold on its content of soluble phosphoric acid. There are various grades on the market containing 14, 16 or 18 per cent of soluble phosphoric acid, or, as farmers still prefer to express it, 30, 35 or 40 per cent phosphate of lime. The 40 per cent material is granular and of comparatively recent introduction. Something over half a million tons are used in the United Kingdom each year, practically the whole of this being home-produced. In 1936 imports of 29,050 tons were recorded, mostly from the Netherlands and Belgium. For 35 per cent superphosphate current prices range from £3 10s. to £4 per ton, depending on the destination in the West of England or South Wales; 30 per cent material is quoted at 3s. 6d. per ton less in each case.

Basic Slag.—This material, a by-product of the steel industry, contains phosphate of lime in more or less readily available condition and is sold on the phosphoric acid content and fineness of grinding. Basic slags are divided into two classes: high-soluble, in which the citric solubility exceeds 80 per cent; low-soluble, with lower but unspecified solubility. About 300,000 tons a year are used in the United Kingdom, practically all of which is home-produced. The price of basic slag with 15½ per cent phosphoric acid and 85 per cent fineness is £2 12s. and of basic slag with 14 and 80 per cent respectively £2 8s. delivered in the West of England.

Sulphate of Potash.—This is a high-grade salt containing 48 per cent potash and practically no chloride. For certain crops this is important. It is a very dry salt and mixes well with other standard fertilizers. Of the total imports of sulphate of potash, amounting in 1936 to 40,596 tons, Germany supplied 26,942 tons. The current price is in the neighbourhood of £9 11s. 6d. per ton.

Muriate of Potash.—It is the most extensively used potash material for single applications and in farm-made and factory mixtures. Imports in 1936 were 68,830 tons, of which Germany supplied just over one-half and France a little more than one-quarter. Current quotations are £8 1s. per ton.

COMPOUND FERTILIZERS

In order to meet the demands of the farmer for fertilizers which will contain the various plant foods necessary in an available form for his soil, a large number of firms manufacture compound or complete fertilizers, which may or may not be patented. Some are offered under special brands, while others are sold by analysis only and are made to improve specific crops.

Some manufacturers specialize in organic compound manures and others in artificial fertilizers only. But between these two groups are a large number of firms who mix organic and chemical constituents in varying proportions, depending upon the uses for which the fertilizers are intended.

While the manufacture of compound fertilizers relieves the farmer of the task of mixing them himself or putting more than one application on his land, some authorities hold that it would be better for him to make use of the services of the Agricultural Advisory Offices to have his soil tested and apply only those plant foods needed and in the required proportion.

CUSTOMS DUTIES

Imports of all fertilizers from Canada and other Empire sources enter the United Kingdom duty free. The import regulations, however, prohibit the importation of fertilizers in receptacles made from certain materials or from meat wrappers of any material.

PROSPECTS FOR CANADIAN FERTILIZER MATERIALS

Some of the artificial fertilizers have been imported from Canada from time to time but the trade is unimportant. There is, however, a demand in the West of England for such organics as dried blood, hoofs and horns, and meat, bone and fish meals of Canadian origin. All of these products are sold on analysis and the price varies according to the description and grade. Fish meal analyses, for example, must show a maximum oil and salt content and a minimum of albuminoids, together with the percentage of phosphoric acid and nitrogen. Meat and bone meal must also be accompanied by a statement giving the amounts of phosphoric acid and nitrogen respectively, while for ground hoofs and horns the amount of nitrogen only is required. Dried blood is generally sold on a guaranteed analysis of $15\frac{1}{2}$ or 16 per cent ammonia (equivalent to 12.75 and 13.2 per cent nitrogen respectively), and if required by the buyer can be submitted to an independent analyst, whose fee is paid by the loser. Should the ammonia content be under the specified percentage a pro rata allowance is made, but anything over that is free. It has generally been found that shipments of dried blood from Canada have been above the 16 per cent required.

Hoofs and horns, whether as meal or in the raw state, should be offered separately and must be dry, free from piths or any other extraneous matter, such as iron, etc. Blood, fish, meat and bone meals are required to be ground as finely as possible and the grist must be perfectly regular throughout.

Offers of Canadian supplies of any of these products would be welcomed, in minimum quantities of 20 tons, packed in 100-lb. or 112-lb. new jute bags. It is impossible to state what price would be paid as this depends upon the various analyses. The better qualities, however, are preferred, and dried blood with a 16 per cent guarantee is being quoted at about £9 10s. per ton (2,240 pounds) c.i.f. Supplies are being freely offered at the present time from various sources, including New Zealand and Argentina, as well as Canada. One broker states that, provided quality and prices were in line, he could probably place regular monthly orders of 25 tons for any of these fertilizers. Commission, which is a matter for mutual arrangement, is usually about 2 per cent.

CONDITIONS IN THE LANCASHIRE COTTON INDUSTRY

BLAIR BIRKETT, ACTING TRADE COMMISSIONER

Liverpool, November 22, 1938.—According to the latest quarterly review of production and trade issued by the economic and statistical department of the Joint Committee of Cotton Trade Organizations, the generally depressed economic conditions in the principal industrial countries of the world continue to be an important factor in keeping the activity in the Lancashire cotton trade at a low ebb. Even an immediate recovery in these countries would not for some time restore their capacity to buy from Lancashire.

Since April, 1938, the level of production, employment, and exports has in general been maintained. Previous to April there had been in progress a steady and steep decline from October, 1937. During last summer an improvement was noticed as a result of the recovery in raw cotton prices, but this phase was shortlived. At the moment stocks of yarn and cloth are high. In the domestic market retail sales, though fairly well maintained, have been affected by increased imports, particularly of made-up goods.

The review makes a comparison of the position of the cotton industry to-day with that in 1930, when the world-wide economic depression had been in progress for a year. Graphs of movements during 1929-33 are plotted against those during 1937-38, and the trends of exports, production, deliveries to mills, etc.,

coincide to a remarkable extent. There is, of course, no suggestion that the present depression will be as intense as the one in 1927-33. Nor is there conclusive evidence that the analogy of the graphs will continue to hold good.

During recent weeks a better tendency has been reported in the demand for piece-goods from the home market. This is attributed largely to an increase in orders from the Government for its intensified rearmament program as well as an improved interest in civilian goods. Furthermore, a certain amount of business has been released which had been held up owing to war risks insurance rates during October. It remains to be seen, however, if this improved tendency is maintained.

COTTON EXPORTS

Export figures for the first nine months of 1938 are now available, giving some indication of the probable total for the full year. The following table shows these figures by classes compared with the same periods of 1936 and 1937:—

	1936	1937	1938
	Million Square Yards		
Total	1,414.6	1,476.4	1,042.5
Grey	238.4	244.1	173.7
Bleached	440.4	443.4	311.6
Printed	292.1	319.3	211.1
Dyed	369.5	385.7	285.8
Coloured	74.2	83.9	60.3

As compared with 1937 the exports of grey goods have declined by 29 per cent, of bleached by 30 per cent, of printed by 34 per cent, of dyed by 26 per cent, and of coloured by 28 per cent. Exports of all classes are down by 29 per cent.

It is estimated that unless the last quarter of the year witnesses a considerable improvement, the total exports of cotton piece-goods for 1938 may not exceed 1,400 million square yards as against 1,921 million in 1937.

In the yarn trade exports in September of this year were little worse than in the same month of 1937, but for the nine-month period there was a considerable decline. While exports of yarn in September amounted to 10.7 million pounds as compared with 11.9 and 11.8 million pounds respectively in September 1937 and 1936, for the nine months ended September last they totalled only 89.9 million pounds as compared with 123.7 and 113.2 million pounds respectively in the corresponding periods of 1937 and 1936.

An increase in exports of grey yarns to Germany is largely responsible for the comparatively good showing in the figures for September of this year. This trade increased from 1,856,700 pounds in September, 1936, to 3,596,300 pounds in this September.

BRITISH GUIANA TRADE IN 1937

G. A. NEWMAN, ASSISTANT TRADE COMMISSIONER

Port of Spain, November 15, 1938.—Although British Guiana, with an area of 90,000 square miles, is situated on the South American Continent, it is usually associated commercially with the Eastern Group of the British West Indies. It is in close proximity to Trinidad and its economic structure is much the same as that of Trinidad or Barbados, being based on the production of sugar in its small cultivated areas along the coast and river margins.

Rich mineral deposits are present in the interior, but owing to the difficulty of working them, only bauxite, gold, and diamonds have become of commercial importance. In addition, the colony has timber resources, of which the most important product is greenheart timber, used extensively for marine constructional work.

Over 80 per cent of the population, numbering 332,898 in the 1936 census, are of East Indian or African extraction, a very large percentage of them being engaged in sugar plantation work. Georgetown, the single important city and port, has a population of 65,938.

Aside from purchases of machinery and equipment necessary for operating the mines, and activities incidental to the production of sugar and its by-products, British Guiana provides a market for foodstuffs and low-priced materials suitable for sale to a low wage-earning population. It is true that numerous kinds of products are imported, but the volume of their sale is small in comparison with that in the classes mentioned.

Four hundred and forty steamers with a net tonnage of 864,589 called at Georgetown in 1937. Of these, 114 calls (177,190 tons) were by vessels of the Aluminum Line, 49 calls (215,104 tons) by the Canadian National Steamships, 38 calls (135,700 tons) by the Harrison Line—the main United Kingdom shipping line—and the remaining 239 were by vessels from the United States, the Netherlands, France, and other European countries.

As a result of unusually heavy imports and exports during 1937, the colony had a total revenue in 1937 of \$5,906,783 as compared to \$5,483,088 in 1936. As expenditures amounted only to \$5,675,948 (\$5,432,025 in 1936), there was a moderate surplus of \$231,835, exclusive of any aid received from the Colonial Development Fund.

EXPORTS

Total exports from British Guiana in 1937 were valued at \$13,597,460, of which \$455,922 were re-exports. Sugar, molasses, and rum, valued at \$8,425,895, formed 64 per cent of the value of domestic exports amounting to \$13,141,538. Bauxite at \$1,719,793 accounted for 13 per cent, gold and precious stones at \$1,430,119 for nearly 11 per cent, rice at \$783,538 and other produce at \$782,123 for nearly 6 per cent each.

In 1937, due to a carryover from 1936, sugar reached a record export volume of 181,574 tons (\$7,608,106), a moderate advance over the 1936 record of 176,505 tons (\$6,853,058). Of these quantities, 62 per cent in 1937 and 59 per cent in 1936 was exported to Canada and the remainder to the United Kingdom.

There was a decrease in 1937 in the other principal agricultural exports. Rum totalled 1,235,366 gallons (1,444,711 gallons in 1936), molasses 5,776,864 gallons (8,168,250 gallons), and rice 18,795 tons (20,521 tons). However, a combined loss in value of \$265,054 for these products was more than offset by the gain of \$755,048 in sugar exports.

Mining was more active in 1937 than in previous years. The comparatively new bauxite industry provided a record export value of \$1,719,793 compared to \$1,030,132 in 1936, with 57 per cent of the bauxite being shipped to aluminium plants in Canada.

Gold dredging operations, which began in 1937, contributed to an increased export of gold amounting to 39,047 ounces (\$1,012,913) compared to 35,857 ounces (\$926,525) in 1936, and the highest export volume since 1915.

Diamond mining continued the downward trend of recent years with exports in 1937 dropping to 34,556 carats (\$417,206) compared to 1936 exports of 42,479 carats (\$487,724).

In the lumber industry the extensive use of greenheart timber for piles in British West Indian harbour projects increased greenheart timber exports to 439,621 cubic feet (\$234,954) compared to 281,030 cubic feet (\$135,248) in 1936. A further increase in the export of greenheart lumber to the United States during 1937 raised total lumber exports slightly to 539,231 superficial feet (\$40,681) from 522,608 superficial feet (\$36,072) in 1936. Balata, the remaining principal forest product exported, increased in volume and value from 217,081 pounds (\$47,536) in 1936 to 390,215 pounds (\$100,445) in 1937.

IMPORTS

Net imports amounted to \$11,098,586 in 1937 compared to \$9,185,799 in 1936. The principal items responsible for this increase of \$1,912,787 in imports were: machinery, \$1,284,942 (\$836,117 in 1936); flour, \$1,084,108 (\$809,104); metal manufactures, \$647,421 (\$503,101); apparel, \$208,392 (\$115,953); motor vehicles, \$220,278 (\$130,664); wood and timber, other kinds, \$133,539 (\$74,536); artificial silk manufactures, \$237,321 (\$185,182); crude petroleum, \$86,152 (\$36,367); paper manufactures, \$218,570 (\$173,211); timber, \$147,642 (\$111,553); and condensed milk, \$128,624 (\$95,762).

Principal items showing decreases were: empty bags and sacks, \$264,807 (\$323,018 in 1936); confectionery, \$45,061 (\$64,803); cider, \$13,667 (\$31,047); cotton manufactures, piece-goods, \$701,777 (\$710,876); and tea, \$41,149 (\$46,709).

The heaviest increases in recent years have been in the importation of manufactured articles, which formed 74.6 per cent of the total import trade in 1937, 65.9 per cent in 1936, and 62 per cent in 1935.

IMPORTS FROM THE UNITED KINGDOM

The United Kingdom contributed 53 per cent (\$6,178,767) of the total import trade of \$11,554,508 in 1937 compared to 55 per cent (\$5,224,344) of the total import trade of \$9,448,189 in 1936. United Kingdom shipments supplied 37 per cent of the total imports of food and drink, 21 per cent of articles mainly unmanufactured, and 63 per cent of the manufactured products.

The principal manufactured products imported from the United Kingdom showing increases in 1937 were as follows:—

Metal and metal manufactures, \$521,283 (\$384,274); sugar machinery, \$474,472 (\$295,518); manures, \$351,453 (\$293,753); machinery, other kinds, \$235,543 (\$178,336); boots and shoes, \$186,003 (\$173,798); mining machinery, \$120,936 (\$39,723); cotton manufactures, other, \$111,435 (\$97,051); motor cars and trucks, \$115,705 (\$102,972); paints, \$84,355 (\$61,951); cement, \$79,798 (\$49,368); hats and caps, \$78,729 (\$76,325); coal and coke, \$69,914 (\$52,855); bicycles and tricycles, \$68,739 (\$57,134); wearing apparel, outer but not including stockings, \$67,829 (\$64,526); chemicals, \$60,134 (\$56,210); sewing machines, \$46,466 (\$40,336); electrical apparatus, \$45,479 (\$42,219); grease and lubricants, \$44,840 (\$36,080); oils, \$44,336 (\$33,824); india-rubber and gutta-percha manufactures, \$43,488 (\$36,403); agricultural implements, \$38,914 (\$34,813); tools and implements, other kinds, \$31,759 (\$31,159); cordage, \$34,060 (\$21,099); twine, \$34,892 (\$22,392); linen and hemp manufactures, \$34,384 (\$28,715); hardware, \$30,062 (\$22,996); and lime, \$26,779 (\$25,524).

Decreases occurred in imports of cotton piece-goods, \$633,021 (\$689,593), and agricultural machinery, \$51,851 (\$72,768).

IMPORTS FROM FOREIGN COUNTRIES

The United States was the most important foreign exporter to British Guiana in 1937, supplying imports to the value of \$1,129,439 or 10 per cent of the total trade, compared to \$823,962 or 9 per cent in 1936. The main imports were as follows:—

Mining machinery, \$201,759 (\$81,687 in 1936); unmanufactured lumber, shooks, \$108,044 (\$68,657); electrical apparatus, \$94,047 (\$79,166); unmanufactured tobacco, \$57,545 (\$61,379); medicines and drugs, \$37,574 (\$34,295); cinematograph films, \$37,162 (\$26,655); explosives, \$31,799 (\$27,044); mules, \$32,626 (\$29,298); pitch pine, dressed, \$26,224 (\$23,511); pitch pine, undressed, \$19,119 (\$19,720); cotton piece-goods, \$26,068 (\$10,944); implements and tools, \$25,238 (\$18,640); grease and lubricants, \$23,717 (\$13,675); metal manufactures, \$17,332 (\$11,105); motor car parts, \$16,272 (\$12,429); sugar machinery, \$14,845 (\$15,861).

The outstanding imports from other foreign countries were:—

Holland—	1937	1936
Condensed milk	\$90,737	\$30,250
Fresh vegetables (potatoes)	22,106	34,577
Onions and garlic	18,322	13,229

Germany—	1937	1936
Hardware	\$14,009	\$ 8,108
Medicines and drugs	13,511	5,438
Glass and glassware	13,294	13,392
Japan—		
Silk and artificial silk manufactures.	74,410	43,896
Hosiery	30,115	34,992
Cotton manufactures	18,998	12,667
Hats and caps, etc.	28,065	17,395
France—Silk and artificial silk manufactures	22,812	17,028
Belgium—Manures	33,407	31,753

TRADE WITH CANADA

EXPORTS TO CANADA

Because of heavy imports of sugar and bauxite, Canada was British Guiana's best customer in 1937, purchasing 45 per cent or \$5,880,042 of the total exports. In 1936 this position was held by the United Kingdom, which took 41 per cent (\$4,840,184) of the total exports compared to 37 per cent (\$4,907,870) in 1937.

This increase in exports to Canada sufficiently exceeded the rise in imports from Canada to continue the previous upward trend in British Guiana's favourable balance of trade with the Dominion. This is indicated in the following trade figures:—

	1934	1935	1936	1937
Exports to Canada	\$2,300,939	\$4,510,571	\$4,643,179	\$5,880,042
Imports from Canada	1,098,576	1,299,794	1,314,055	1,655,604
Balance in favour of British Guiana ..	1,202,363	3,210,777	3,329,124	4,234,438

IMPORTS FROM CANADA

Imports from Canada in 1937 showed the largest gain in recent years, reaching a total value of \$1,655,604 as compared to \$1,314,055 in 1936, making an increase of \$341,549 in comparison with the meagre increase of \$14,261 during 1936.

British Guiana imports from Canada consist largely of foodstuffs, of which Canada supplies approximately one-third of the trade. Thirty-three per cent of the total foodstuff imports in 1937, valued at \$3,333,612 (\$2,794,323 in 1936), were obtained from Canada. The principal Canadian products showing gains were: flour, \$636,400 (\$458,537 in 1936); potatoes, \$117,979 (\$79,653); dried fish, \$116,914 (\$88,624); cheese, \$23,343 (\$16,597); pickled pork and beef, \$41,112 (\$35,898); and unmanufactured tobacco, \$5,369 (\$1,423).

In manufactured products Canada supplied 6 per cent of the total trade valued at \$7,623,015 (\$6,228,761 in 1936). The principal increases in these imports from Canada were: motor cars and trucks, \$51,624 (\$26,224 in 1936); mining machinery, \$25,796 (\$19,486); paper manufactures other than newsprint, \$31,769 (\$17,412); boots and shoes partly of rubber, \$27,205 (\$14,285); metal furniture, \$22,520 (\$17,076); black iron and steel bars and rods, sheets or plates, \$7,041 (\$1,123); refined oils, \$13,151 (\$7,619); medicines and drugs, \$23,500 (\$18,691).

The remaining products imported from Canada showed little change in value from the previous year, the only important decreases being in oats valued at \$24,760 (\$31,417) in 1936.

IMPORTS OF INTEREST TO CANADA

Following is a list of imports into British Guiana in 1937 in which Canada shared to a value exceeding \$5,000, showing total quantities, total values, values for chief supplying countries, and comparative quantities and values for 1936 within parentheses:—

Cheese.—290,248 lbs., \$49,006 (301,205 lbs., \$45,530): New Zealand, \$14,185; Holland, \$8,618; United Kingdom, \$2,581; Canada, \$23,343 (\$16,597).

Fish, Canned or Preserved.—439,691 lbs., \$62,338 (459,680 lbs., \$65,259): United States, \$7,036; Canada, \$45,599 (\$43,484).

Pickled Mackerel and Salmon.—1,961 bbls., \$15,920 (2,565 bbls., \$17,997): Canada, \$15,558 (\$17,997).

Smoked or Dried Fish, other than Morocut.—36,566 cwt., \$193,958 (34,728 cwt., \$170,128): United Kingdom, \$58,994; United States, \$11,285; Canada, \$116,914 (\$88,624).

Fresh Apples.—170,486 lbs., \$9,218 (146,934 lbs., \$7,863): United States, \$2,541; Canada, \$6,554 (\$6,050).

Onions.—2,096,280 lbs., \$39,400 (1,963,644 lbs., \$31,787): Holland, \$12,140; Canada, \$24,760 (\$31,417).

Flour.—174,947 bags (196 lbs.), \$1,084,108 (173,929 bags, \$809,104): United Kingdom, \$442,440; Canada, \$636,400 (\$458,637).

Other Farinaceous Products.—782,583 lbs., \$37,426 (608,060 lbs., \$26,455): British Malaya, \$15,831; United Kingdom, \$6,187; Canada, \$12,707 (\$9,905).

Beef and Pork, Salted or Pickled.—9,227 bbls. (200 lbs.), \$163,210 (8,295 bbls., \$137,787): Argentina, \$81,684; Brazil, \$15,756; United States, \$11,982; United Kingdom, \$11,790; Canada, \$41,112 (\$35,898).

Tobacco, Unmanufactured in Leaf, 25-38 per Cent Moisture.—157,612 lbs., \$19,282 (220,859 lbs., \$23,098): United States, \$13,913; Canada, \$5,369 (\$1,423).

Potatoes.—8,394,911 lbs., \$150,912 (7,335,205 lbs., \$124,720): Holland, \$22,106; British West Indies, \$6,001; Malta, \$2,503; Canada, \$117,979 (\$79,653).

Fresh Vegetables, Other Kinds.—286,698 lbs., \$10,681 (340,387 lbs., \$12,045): Bermuda, \$1,134; United States, \$992; Canada, \$7,846 (\$9,691).

Wood and Timber, Unmanufactured, Other than Cedar, Undressed Douglas Fir, and Dressed Pitch Pine.—747,617 sup. ft., \$44,757 (589,506 sup. ft., \$34,351), all from Canada.

Wood and Timber, Other Kinds, Undressed.—1,127,774 sup. ft., \$56,772 (841,149 sup. ft., \$33,867): Canada, \$56,466 (\$33,609).

Wood and Timber, for Making Containers.—\$129,811 (\$71,100): United States, \$108,044; Germany, \$13,574; Canada, \$8,193 (\$1,443).

Twine.—204,073 lbs., \$47,071 (140,870 lbs., \$29,909): United Kingdom, \$34,892; British India, \$5,003; Canada, \$5,958 (\$3,957).

Apparel, Under Garments (not Hosiery) and Outer Garments.—\$208,392 (\$115,953): Hongkong, \$106,305; United Kingdom, \$67,829; British India, \$10,941; Japan, \$5,499; Canada, \$15,451 (\$13,334).

Boots and Shoes, Made Wholly or Partly of Rubber, Balata, or Gutta-percha.—25,353 doz. prs., \$90,538 (15,945 doz. prs., \$58,025): Hongkong, \$32,643; British India, \$12,916; United Kingdom, \$9,686; Czechoslovakia, \$7,324; Canada, \$27,205 (\$14,285).

Hosiery, Stockings and Hose (Silk).—1,511 doz. prs., \$7,469 (1,599 doz. prs., \$7,751): Hongkong, \$437; United Kingdom, \$295; Canada, \$6,608 (\$7,310).

Hosiery, Stockings and Hose (Artificial Silk).—20,427 doz. prs., \$27,764 (14,543 doz. prs., \$19,194): Hongkong, \$12,319; United Kingdom, \$9,051; Canada, \$6,251 (\$2,599).

Nails and Spikes, Other than Horseshoe Nails.—7,924 cwt., \$26,437 (7,685 cwt., \$23,308): United Kingdom, \$6,690; Germany, \$5,626; Canada, \$14,121 (\$12,998).

Iron and Steel, Black in Bars, Rods, Sheets or Plates, Other than Boiler Plates.—16,203 cwt., \$55,748 (11,679 cwt., \$33,607): United Kingdom, \$45,077; Belgium, \$2,491; Canada, \$7,041 (\$1,123).

Iron and Steel Manufactures, Furniture.—\$68,861 (\$55,411): United Kingdom, \$40,945; United States, \$4,846; Canada, \$22,529 (\$17,076).

Electrical Goods and Apparatus, Other than Medical, Wires and Cables, Cooking and Heating.—\$128,601 (\$117,246): United States, \$83,222; United Kingdom, \$29,480; Hongkong, \$4,620; Canada, \$6,135 (\$3,711).

Machinery, Mining.—759 tons, \$356,284 (324 tons, \$133,373): United States, \$201,759; United Kingdom, \$120,926; Holland, \$7,634; Canada, \$25,796 (\$10,406).

Motor Cars, Lorries, and Vans.—382, \$220,278 (200, \$130,664): United Kingdom, \$115,705; Germany, \$41,563; United States, \$10,522; Canada, \$51,624 (\$26,224).

Motor Car Parts.—\$46,268 (\$33,696): United Kingdom, \$20,962; United States, \$16,272; Canada, \$7,552 (\$6,659).

Rubber Tires and Tubes for Motor Cars and Motor Cycles.—\$39,327 (\$32,860): United Kingdom, \$20,675; United States, \$3,877; Canada, \$13,997 (\$13,073).

Cement, Portland.—34,234 bbls., \$93,168 (26,428 bbls., \$63,079): United Kingdom, \$79,798; Canada, \$13,370 (\$10,790).

Medicines and Drugs, Other than Opium, Spirituous Compounds, and Quinine.—\$147,960 (\$118,629): United Kingdom, \$66,736; United States, \$36,458; Germany, \$12,503; Canada, \$23,500 (\$18,694).

Paints, including Colours and Pigments.—9,392 cwts., \$93,827 (7,725 cwts., \$70,964): United Kingdom, \$84,355; United States, \$2,682; Canada, \$5,746 (\$6,661).

Oils, Refined, Lubricating.—1,455,944 lbs., \$76,295 (1,120,990 lbs., \$53,687): United Kingdom, \$40,594; United States, \$20,852; Canada, \$13,151 (\$7,619).

Printing Paper.—\$42,871 (\$51,437): United Kingdom, \$28,514; Sweden, \$1,524; Holland, \$1,092; Canada, \$9,193 (\$8,761).

Paper Manufactures, Other Kinds, Except Playing Cards.—\$175,118 (\$121,161): United Kingdom, \$107,602; Holland, \$11,557; United States, \$7,322; France, \$5,237; Canada, \$31,769 (\$17,412).

Wood and Timber Manufactures, Furniture.—\$21,574 (\$24,131): Poland, \$6,448; United Kingdom, \$3,631; Austria, \$2,185; Canada, \$6,775 (\$10,224).

Containers for Locally Manufactured Goods.—\$14,245 (\$16,013): United States, \$5,006; Germany, \$1,704; United Kingdom, \$1,029; Canada, \$6,506 (\$12,620).

Machinery Belting, Boiler Packing, etc.—\$50,445 (\$32,615): United Kingdom, \$41,405; United States, \$2,279; Canada, \$6,559 (\$3,036).

Articles Ordinarily Merchantable Bearing an Advertising Device.—Total, \$38,765 (\$29,121): United Kingdom, \$25,521; Germany, \$1,557; United States, \$1,365; Canada, \$9,557 (\$7,841).

Goods Manufactured Wholly or in Part, Not Elsewhere Specified.—\$139,754 (\$108,478): United Kingdom, \$60,130; Japan, \$25,907; United States, \$17,077; Germany, \$15,036; Canada, \$9,976 (\$6,160).

The following list shows total values and values of Canada's share of imports of lesser value from Canada:—

Biscuits, unsweetened and in tins, \$6,775, Canada \$3,080; fodder, \$2,237, Canada \$2,116; bran, pollards, and schumaker, \$2,278, Canada \$2,099; feeding grain, \$2,629, Canada \$2,082; pickled fish, other kinds, \$1,125, Canada \$1,125; fresh fish, \$1,896, Canada \$1,881; canned fruits, \$12,961, Canada \$4,017; lard, \$5,063, Canada \$3,572; provisions n.o.p., \$84,137, Canada \$2,851; refined sugar, \$4,981, Canada \$2,099; onions, \$41,746, Canada \$1,329; cotton manufactures, except apparel, \$27,494, Canada \$3,402; boots and shoes other than of rubber or partly of rubber, \$199,448, Canada \$2,435; hats, caps, and other headgear, \$120,887, Canada \$1,350; cotton hosiery, \$4,702, Canada \$2,316; cotton underwear, \$52,769, Canada \$3,339; iron and steel manufactures, \$39,828, Canada \$4,724; punt plates and carrier chains, \$70,154, Canada \$3,097; railway and tramway materials, \$27,164, Canada \$3,139; hardware other than furniture, hollow-ware, and office machinery, \$64,404, Canada \$3,847; implements and tools other than agricultural, \$64,221, Canada \$2,205; marine machinery, \$32,120, Canada \$2,141; office machinery, \$9,165, Canada \$3,108; machinery not otherwise listed, \$174,197, Canada \$2,220; railway and tramway vehicles, \$24,744, Canada \$3,483; calcium carbide, \$3,066, Canada, \$3,066; toilet soap, \$22,486, Canada \$1,687; varnish and polish, not containing spirits, \$6,780, Canada \$3,481; rubber manufactures, \$8,244, Canada \$2,435; firearms, \$5,313, Canada \$2,188; brooms and brushes, \$7,319, Canada \$4,532; oilcloth, \$4,852, Canada \$2,173; perfumery, cosmetics, and toilet requisites, \$48,001, Canada \$3,513; toys and games, \$28,834, Canada \$2,045.

HONGKONG FLOUR MARKET CONDITIONS

V. E. DUCLOS, CANADIAN TRADE COMMISSIONER

Hongkong, November 4, 1938.—Imports of flour into Hongkong during the third quarter of 1938 amounted to 15,164 tons valued at U.S.\$581,655 compared with 16,262 tons valued at U.S.\$845,517 for the corresponding period of 1937.

Australia was credited with 9,692 tons worth U.S.\$358,589 as against 12,191 tons worth U.S.\$613,528 for the third quarter of 1937 and the United States with 2,879 tons valued at U.S.\$112,780 as against 1,213 tons valued at U.S.\$67,536. Canada was the only other contributor, supplying 2,593 tons worth U.S.\$110,283 as compared to 2,132 tons worth U.S.\$129,239.

MARKET FACTORS

During the last few months the Hongkong flour market has remained within narrow limits, and the only movement of importance occurred during the European crisis, when there was a heavy demand for spot stocks. The result was that the importers were able to dispose of a great proportion of their holdings.

However, when the tension had subsided the only change in the market situation was that the burden of heavy stocks had been transferred to local dealers, who had experienced under normal conditions considerable difficulty in arranging for transportation to inland points. Since the extension of hostilities to South China, the subsequent fall of Canton, and the severance of all principal routes of communication, there have been practically no sales of flour during the month of October, resulting in a further accumulation of stocks in Hongkong.

At present, the outlets for the flour trade of Hongkong are restricted to Amoy, Swatow, Kwangchow, and Annam. In the case of the former two ports, the withdrawal of the bulk of the population to the hinterland has had an adverse effect; while in the case of the latter two territories, transportation difficulties to interior points has militated against a free flow of cargoes.

PRICES AND STOCKS

During the period under review prices of Australian flour have been firm owing to drought conditions in that country, while United States exporters' prices have been on the downward trend. During October U.S. Club Straight was being offered at approximately 10 per cent below the prevailing price on Australian flour. However, this price advantage was partially offset by the lack of freight space from the United States to the Far East.

At the end of October stocks were estimated at 329,000 bags, comprising: Australian, 230,000 bags; American Club Straight, 62,000 bags; American Cut Off, 17,000 bags; American Patent, 2,000 bags; Canadian First Clear, 17,000 bags; Canadian Patent, 1,000 bags.

The average quotations on the several grades and qualities of flour at the end of October were as follows:—

Australian	£6 3s. 0d. to £6 9s. 0d.	c.i.f. per ton
American Club Straight	US\$2.75 to \$2.95	c.i.f. per bbl.
American Cut Off	US\$3.25 to \$3.35	c.i.f. per bbl.
American Patent	US\$3.80	c.i.f. per bbl.
Canadian First Clear	US\$3.30 to \$3.50	c.i.f. per bbl.
Canadian Patent	US\$4.10	c.i.f. per bbl.

PALESTINE'S WHEAT AND FLOUR TRADE

HENRI TURCOT, CANADIAN TRADE COMMISSIONER

[One Palestine pound (£P.) equals £1 sterling; one metric ton equals 2,204 pounds]

Cairo, November 1, 1938.—Palestine's wheat crop, it is said, usually moves in a Biblical cycle of seven years. During the current year, however, rust has attacked the fields in both the north and south and, in consequence, the harvest, which should have been plentiful according to the calendar, was disappointing; the yields in the south and in the Judean hills are estimated not to have exceeded 40 per cent and those in the north 50 per cent of the average crop. Whereas last year the wheat crop totalled 120,000 tons, it is hardly likely, based on the Government's first estimate, that more than 50,000 tons were harvested this year.

Wheat consumption in 1937-38 (July 1 to June 30) is reported to have been 170,000 tons. Imports of wheat and flour respectively during that period amounted to 22,215 and 20,100 tons, the latter figure being the equivalent of approximately 28,000 tons of wheat; the local crop (120,000 tons) accounted for the remainder. This year it is expected that consumption will be reduced to 150,000 tons, as in years when wheat crops are bad the Arab peasant generally eats more durrah, barley, and maize. Nevertheless imports will necessarily be substantially higher, being reliably estimated at 100,000 tons. This figure includes 20,000 tons of flour, equal to a wheat value of about 28,000 tons, which

leaves slightly over 70,000 tons of wheat to be imported. In other words, while no increase is foreseen in imports of flour, a rise of nearly 50,000 tons in imports of wheat is anticipated. Despite lower prices in comparison with last year, it is estimated that wheat and flour imports in 1938-39 (July 1 to June 30) will cost Palestine in the vicinity of £P.120,000 more than last year, due consideration being given to the difference in price.

Any reduction in world market prices will hardly benefit the consumers in Palestine, the Government having recently increased the duties on both wheat and flour in order to protect the farmers. Naturally, the higher duties will also benefit the treasury, particularly since imports will perforce be larger this year, but the main benefit will accrue to agriculturists, whose position in other respects is so unfavourable that it is difficult for consumers to quarrel with the new tariff policy of the Government.

The import of cheap-grade wheat may solve the problem as far as local millers are concerned. The Balkan countries and those adjacent to Palestine are the obvious sources of supply, and as the harvest is good in these countries, the import of cheap varieties of wheat should present no difficulty.

INCREASED DUTIES ON WHEAT

The sliding scale of customs duties on wheat other than *triticum durum* was amended on July 21, 1938, so that henceforth all such wheat, despite lower market prices, will be dutiable.

While according to the tariff in force prior to July 21 wheat valued at £P.9 or over per ton was exempt from duty and that below £P.9 was charged a duty which brought the total (price and duty) up to £P.9, the present position is that wheat other than *triticum durum* valued at £P.8 or over per ton will be assessed with a duty of £P.1. It follows that the minimum price of wheat, together with the duty, is now also not less than £P.9.

Prior to September 29, 1938, hard wheat (*triticum durum*) was dutiable at £P.3 per ton, without distinction as to value. Since that date, however, the duties applicable to wheat other than *triticum durum* apply to *triticum durum* wheat as well.

Hard wheat (*triticum durum*) and other wheat (hard and soft), except wheat from Syria and the Trans-Jordan which enters Palestine duty-free, is now dutiable as follows:—

Value per Ton as Determined by the Director of Customs	Duty per Ton
£P.8 per ton or over	£P.1
£P.7½ per ton or under £P.8	£P.1½
As value decreases by £P.¼ per ton, duty increases	£P.¼
Maximum duty (reached when value is under £P.5½ per ton)	£P.4

In practice, the c.i.f. value serves as a basis for calculating the duty.

CUSTOMS VALUES OF WHEAT AND CORRESPONDING DUTIES

Values of wheat (other than *triticum durum*) for customs purposes are fixed quarterly by the Department of Customs, Excise, and Trade. The values established for the present quarter, together with corresponding duties, are as follows:—

	Value per Ton £P.	Duty per Ton £P.
Hard—		
Grade I. Such as Canadian Manitoba No. 1, No. 2, No. 3, and No. 4 wheat	8.750	1.000
Grade II.	5.250	3.750
Soft—		
Grade I.	7.250	1.750
Grade II.	4.850	4.000

The values of *triticum durum* wheat were fixed on September 29, by the Department of Customs, the values for the present quarter being as follows, together with the relative duties:—

	Value per Ton £P.	Duty per Ton £P.
Grade 1. Such as amber durum	8.000	1.000
Grade 2.	7.500	1.500
Grade 3.	6.500	2.500

MARKET AND DUTY-PAID VALUES OF FOREIGN WHEAT

Information obtained from official sources in Palestine indicates that the present market value (c.i.f. Palestine ports) of Canadian wheat in bags (Manitoba No. 1) is £P.8.475 per ton; that of Australian wheat in bags (disponible) is £P.7.500; and that of Roumanian wheat in bulk (80/81) is £P.4.600. The duty-paid values of the above are consequently £P.9.475, £P.9.250, and £P.8.600 respectively, representing discrepancies of £P.0.225 (\$1.13) and £P.0.875 (\$4.38) per ton between the duty-paid value of Canadian wheat and that of Australian and Roumanian wheat as compared with differences of £P.0.975 (\$4.88) and £P.3.875 (\$19.88) per ton between the actual market value (c.i.f. Palestine ports) of Canadian wheat and that of Australian and Roumanian wheat.

From the above it is apparent that Canadian wheat is not in what might be termed an unfavourable position as regards tariff. However, when cheap supplies are readily available in neighbouring countries (Trans-Jordan, Iraq, etc.) and the Balkans, as was the case last year, there are limited opportunities only in Palestine for Canadian and other expensive varieties of wheat.

IMPORTS OF WHEAT IN 1937 AND 1936

According to Palestine statistics, imports of wheat (*triticum durum*, other hard, and soft) into Palestine in the calendar years 1937 and 1936 were 37,163 and 21,536 tons, distributed as follows:—

Imports of Wheat into Palestine

	1937 Tons	1936 Tons
Total	37,163	21,536
Australia	613	502
Canada	442	.....
British India	782	.....
Bulgaria	1,104	798
Roumania	5,966	301
Russia	499	.....
Yugoslavia	303	.....
Egypt	1,742	.....
Iraq	17,805	.....
Syria	7,379	19,731
Turkey	106	.....
United States	409	.....
Other countries	13	204

While Syria is credited with 19,731 tons out of total imports of 21,536 tons in 1936, the distribution of imports of wheat into Palestine in 1937, as indicated by the above table, was more diversified, with Iraq occupying first place, followed by Syria, Roumania, Egypt, etc. Canadian wheat reappeared on the Palestine market during the past year, 442 tons being purchased by one mill specializing in high-grade flour.

PRESENT IMPORT SITUATION

For the first seven months of 1938 total imports of wheat into Palestine amounted to 20,155 tons, which is approximately the same quantity as was

imported in the corresponding period of 1937. The contributors were: Australia (4,972 tons), Iraq (4,539 tons), Roumania (3,587 tons), Bulgaria (3,037 tons), Syria (1,340 tons), the United States (960 tons), British India (712 tons), Turkey (511 tons), and Russia (497 tons).

For reasons already mentioned, imports of wheat into Palestine will no doubt be substantially greater during the remaining months of this year than in the last five months of 1937. It is expected that the greater portion of this increase will be shared by Iraq and Roumania.

With regard to Canadian wheat, orders amounting to 1,000 tons (Manitoba) and 500 tons (amber durum) for a Tel-Aviv miller are now on their way to Palestine.

WHEAT IMPORT REGULATIONS

The importation of wheat (other than wheat allowed to be deposited in bonded warehouses) into Palestine is limited by quotas, with the exception of wheat from Trans-Jordan. Owing to Palestine being a mandated country, the quotas apply to the total quantities of the varieties (*triticum durum*, other hard, and soft) to be imported, but not to individual countries. In other words, holders of import permits are free, within the limits of the quotas established for each variety, to effect their purchases wherever they like. Wheat quotas are established quarterly by the Department of Customs, Excise, and Trade in accordance with the needs of the country.

Under new regulations, in force since September 22, 1938, wheat other than *triticum durum* may be stored in bonded warehouses independently of import permits. Deliveries of wheat from bonded warehouses are, however, regulated quarterly in the same way as ordinary wheat imports. (These regulations do not apply to wheat produced in and imported into Palestine directly from Trans-Jordan.)

FLOUR

According to official statistics, imports of flour into Palestine for the past two calendar years and the seven months ended July 31, 1938, were as follows:—

Imports of Flour into Palestine

	Jan.-July, 1938	1937	1936
	Tons	Tons	Tons
Total	11,154	27,317	30,629
United Kingdom . . . . .	.....	.....	127
Australia	3,488	8,962	8,348
Canada	102	71	227
France . . . . .	.....	107	.....
Hungary	5	75	.....
Egypt . . . . .	.....	68	.....
Syria	539	2,882	9,134
United States	7,000	15,061	12,718
Other countries	20	91	75

The above table shows that while the flour import trade of Palestine was in 1936 chiefly shared by the United States, Syria, and Australia, in order of importance, more than one-half of the shipments in 1937 originated in the United States and about one-third in Australia, Syria's shipments being substantially reduced. For 1938 it is estimated that distribution will be quite similar to that of last year, except that imports from Syria will show a further reduction owing to exports of flour from that country being at present prohibited, with corresponding increases in other directions.

Imports of flour from Canada have varied, as shown above, from 227 tons in 1936 to 71 tons in 1937 and 102 tons in the seven months ended July 31, 1938. This is accounted for by the fact that prices of Canadian flour have been entirely out of line as compared with those of the United States product—a situation

largely attributable to high prices of Canadian wheat in the domestic market. It is reported, however, that recent quotations from Canada have been much more favourable; progress has been made in the sales of Canadian flour in Palestine, and in the opinion of the trade a further advance may be expected if prices continue to be in line.

INCREASED DUTIES

A new sliding scale for duties on flour was established on July 21, 1938. The new scale starts with £P.2 where the price of flour is £P.11.500 or over per ton, bringing price and duty to a total of £P.13.500, minimum; the previous scale began with a duty of £P.2 when the price was £P.10.500, so that the total was £P.12.500 only.

The schedule of duties imposed on flour imported into Palestine now runs as follows:—

Value per Ton as determined by the Director of Customs	Duty per Ton
£P.11½ or over	£P.2
As value decreases by £P.¼ per ton, duty increases	£P.¼
Maximum duty (reached when value is under £P.6¼ per ton)	£P.7½

In practice, the c.i.f. value serves as a basis for calculating the duty.

CUSTOMS VALUES OF FLOUR AND CORRESPONDING DUTIES

For customs purposes, values of flour are fixed quarterly, as in the case of wheat. The values adopted for the present quarter, with related duties, are as follows:—

	Value per Ton £P.	Duty per Ton £P.
Grade I.	11.850	2.000
Grade II.	8.065	5.500
Grade III.	8.000	5.500
Grade IV.	7.500	6.000

MARKET AND DUTY-PAID VALUES OF IMPORTED FLOUR

Market values (c.i.f. Haifa) of the foreign flour offered for sale on October 13 were as follows, the corresponding duties being given in order to arrive at the duty-paid value:—

Origin	Market Value per Ton £P.	Duty per Ton £P.	Duty-paid Value per Ton £P.
United States—			
“North-King”	12.500	2.000	14.500
“Gold Medal”	10.750	2.000	12.750
Canada	10.750	2.000	12.750
Australia—			
“Brilliant”	8.500	5.500	14.000
Other brands	8.250	5.500	13.750

From the foregoing table it is apparent that the sales possibilities for Canadian flour in Palestine are favourable at the present time. From the composition of imports, as indicated by a preceding table, there is no doubt that the demand, as far as imported flour is concerned, is largely for a quality product. It is suggested that the Canadian millers give closer attention to the Palestinian market.

FLOUR IMPORT REGULATIONS

Except for flour from Trans-Jordan, imports of flour into Palestine are subject to quotas, and, as in the case of wheat, quotas apply to quantities and not to individual countries. These quotas are determined quarterly.

The regulations governing the storage of wheat in bonded warehouses do not extend to flour. In case of need, however, supplementary quantities of flour may be permitted entry into Palestine.

Admittedly, the recent tariff changes in Palestine, which have been effected for purposes of revenue and to afford adequate protection to Palestine farmers, are more advantageous to high-grade flour such as that produced in Canada and the United States than to high-grade hard wheat (other than *triticum durum*). Apparently high-grade flour, including that from Canada, stands a better chance of selling in competition with the lower-grade product from abroad, while the cheaper varieties of wheat will continue to find their way into Palestine in preference to the more costly varieties, high-grade hard wheat continuing to be a limited seller. Judging by recent purchases of Canadian wheat, the Dominion's position has not been impaired by the new tariff policy of the Government of Palestine.

CANNED ASPARAGUS TRADE IN EGYPT

HENRI TURCOT, CANADIAN TRADE COMMISSIONER

Cairo, November 18, 1938.—Egypt's requirements in fresh asparagus are met from domestic production. The local production, although inferior in both quality and flavour, is grown in considerable quantities and sells at low prices. Imports are confined exclusively to the tinned product and amount to slightly over 2,000 cases per year. They originate entirely in the United States. Efforts have been made in the past to sell some continental brands in this market but without success.

Both the white and green types are in demand, the former enjoying a decided preference. Libby's "Colossal" (12 to 16 sticks), "Mammoth" (17 to 24 sticks), and "Medium" (35 to 44 sticks) are the varieties mostly in demand. "Giant" brand has but a limited share of the trade. There is also a small outlet for asparagus tips. Packing is in 31-ounce tins, two dozen tins to the wooden case.

PRICES AND TERMS

Present quotations c.i.f. Alexandria per dozen for the above, including agent's commission and 2 per cent for cash against documents, are as follows: "Colossal," \$3.37½; "Mammoth," \$3.42½; "Medium," \$3.37½; and "Mammoth" tips, \$3.42.

Business in canned asparagus with Egypt is conducted through agents, who carry stocks to supply the small retailers, while the more important retail establishments place orders with agents for direct shipment.

DUTIES

The duty on imported canned asparagus and asparagus tips is 800 mils (about \$4) per 100 kilos (220 pounds), gross weight, plus 3 per cent of the c.i.f. value, irrespective of the country of origin.

CODFISH MARKET IN PORTUGAL

A. B. MUDDIMAN, CANADIAN TRADE COMMISSIONER

Milan, November 3, 1938.—Salt codfish holds as important a place among foodstuffs consumed in Portugal as does canned fish in North American countries. At one time Portugal was a steady market for Canadian codfish, but of recent years this trade has become disrupted.

Canada supplied only two types of fish to this market: the early summer fish and the special Christmas variety for the Oporto market. The Portuguese market is divided into two parts: Southern Portugal receives all its supplies of salt cod through Lisbon, while Northern Portugal is supplied from Oporto. For

many years the Dominion has made no shipments to the Lisbon market, but until the establishment of the Gremios, or official purchasing corporations, sales were made in the Oporto market of the two types of fish mentioned above.

PURPOSE OF THE GREMIOS

The Gremios were established by the Portuguese Government to buy codfish as cheap as possible in order to protect its supplies of foreign exchange and otherwise economize in its purchases of foreign food supplies. Gremios were established at both Lisbon and Oporto under a "Commisao Reguladora" in Lisbon, which authorizes all purchases at both ports. Due to its high price and to the fact that Gaspé fish was practically unknown in Lisbon, where the "Commisao Reguladora" operates, this organization would not sanction its purchase for Oporto, although there has always been a demand for both the early summer and Christmas fish on the Oporto market. As a result of strong representations, the Oporto Gremio in 1937 authorized certain purchases, but the terms of payment offered to shippers were unacceptable. These were 50 per cent credit utilizable on shipment, the remaining 50 per cent to be utilized after approval of the fish in Oporto. The attitude of the commission towards purchases of Gaspé cure was largely the result of unsatisfactory shipments in the past.

Only Gaspé fish of high quality is acceptable to Oporto, but if this can be supplied there are opportunities for the sale of at least 4,000 cases for the 1938 Christmas trade. Although it may not be possible for Canadian shippers to take advantage of the market possibilities this year owing to the fact that a sufficient quantity of this fish is not available for export, this offer to purchase annually at least 4,000 cases of the Christmas type of fish is open for future years. It has also been arranged that Canadian offers will be readily accepted for salt codfish at other seasons, such as the early summer fish, provided the quality of the supplies is satisfactory.

The attention of shippers is directed to the necessity of complying strictly with the specifications laid down by the Gremio with respect to Gaspé fish and of maintaining a high standard of cure in view of the price premium which it commands.

SPECIFICATIONS FOR GASPÉ FISH

Gaspé fish for the Christmas trade in Oporto should be yellow in colour with little salt. The standard quality for this market is hard dried, and the sizes favoured are extra-large and large. The extra-large should be from 28 inches up, and the large from 22 inches up.

The Christmas fish should be packed in cases of 60 kilos, or 132 pounds. This fish is bought by the better class of purchasers in Oporto for the festive season, and as they have become accustomed to seeing it on display in cases around Christmas, it would be inadvisable to change the packing.

With regard to the ordinary quality of fish, the Canadian cures are generally too heavily salted. The ordinary quality should approximate that of the Newfoundland product, which is of a yellow colour and lightly salted. This fish also must be hard dried. Canadian fish should be packed in cases marked "Large and Medium," "Small and Large," or "Medium and Small."

Packing of the ordinary fish for the Oporto market in strong sewn canvas bales of 60 kilos is strongly recommended. The appearance of a product is a strong selling factor in this market.

NATIONAL FISHING INDUSTRY

The quantity of salt codfish, dry weight, credited to the Portuguese fishing industry in 1937 was equal to that taken by Canadian fishermen, 10,500 metric tons. As a result of government assistance in various forms, the local industry

continues to expand. In 1931 only 21 Portuguese schooners went to the Banks, and the catch totalled 2,800 tons dry weight; in 1937 the national fishing fleet comprised 1 trawler and 49 schooners. About one-tenth of the catch was taken by the trawler, while the schooners averaged about 300 tons each of wet-salted fish. Thirty-five of the schooners are fitted with motors. In curing, the fish showed a shrinkage of slightly more than 34 per cent from wet-salt weight to dry weight. The cured fish showed a considerable improvement in quality as compared with that of past years, despite the fact that the Portuguese climate is not favourable to a good cure. Improvement has been effected by bleeding the fish immediately after they are taken and by the adoption of Icelandic methods of splitting and washing. Drying is always dependent on weather conditions. Frozen sardines were used as bait with satisfactory results.

IMPORTS

Despite expansion in the national fishing industry, large quantities of various cures of salt codfish are imported. Total imports in 1937 amounted to 33,970 tons as against 47,367 tons in 1936. The following table shows the quantities of salt fish, dry weight, imported into Portugal from the under-mentioned countries, according to Messrs. Hawes' annual review of the salt cod-fish trade:—

	1935	1936	1937
		Metric Tons	
Faroe and Greenland	151	1,879	894
France . . . . .	.....	1,437	60
Germany	1,093	574	480
Great Britain	630	462	.....
Iceland	17,288	14,857	11,731
Newfoundland	11,544	10,433	4,835
Norway	9,613	17,725	15,970
	40,319	47,367	33,970

PORTUGUESE LEATHER IMPORTS

A. B. MUDDIMAN, CANADIAN TRADE COMMISSIONER

(One escudo equals approximately 4 cents Canadian.)

Milan, October 19, 1938.—The leather industry in Portugal is well developed, and in most lines production is sufficient to meet domestic requirements. There are, however, possibly three items in which Canada might obtain a share of the trade.

PATENT LEATHER

Prior to the construction of a local factory at Guimares the demand for patent leather in Portugal was dependent on imports. This factory turns out a fair quality of leather, current prices for patent cowhides, 10 feet by 12 feet, being as follows:—

Grade	Black Prices in	Coloured Escudos
R	6.00	6.60
No. 4	6.70	7.30
No. 3	7.10	7.70
No. 2	7.50	8.10
Extra	7.90	8.50
Special	8.30	8.90

Terms of payment include a discount of 5 per cent for sight; otherwise they are due on the 15th and 30th of each month.

Small hides are not supplied by the local factory. Some of the finer grades of patent leather are still imported from the United States.

DUTIES

The duty on imported patent leather is 2.40 escudos per square foot, roughly 10 cents Canadian, which must be added to the c.i.f. price Lisbon in order to ascertain whether offers are competitive. There is apparently no demand for coloured patents.

KID LEATHER

The chief demand in kid leather is for coloured varieties rather than black, and the size of the skins is 3 feet by 5 feet. There is some local production, but supplies are still largely imported, coming chiefly from the United States, Germany, and France, in that order.

PRICES AND DUTIES

Owing to the wide variety in the qualities of imported skins, it is not possible to give comparative prices. Current quotations for the domestic product are as follows: Grade A (smooth), 11.30 escudos; Grade B (smooth), 10.30 escudos; Fancy, 11.30 escudos. Terms of payment are the same as in the case of patent leather.

The duty on imported kids is 1.60 escudo per square foot, or roughly 7 cents Canadian. There are wider opportunities for the sale of the imported kid leather than of patent leather owing to the number of colour varieties.

BOX CALF

Local production has to a considerable extent restricted the importation of box calf; this applies particularly to second qualities. The better qualities are still imported, the supplying countries in order of importance being Germany, Hungary, France, and Czechoslovakia. The sizes are 10 feet by 12 feet and 12 feet by 14 feet.

DUTIES

The duty on imported box calf ranges from 2.60 escudos to 2.80 escudos per square foot, or approximately 12 cents Canadian.

IMPORT TRADE

There are two large importers of leather into Portugal, one at Lisbon and the other at Oporto. Besides these there are a number of smaller importing firms. It should be noted that supplies from Canada would have to be stocked, and only the larger firms are in a position to fulfil this requirement.

The principal shoe factories are centred in the north, around Oporto, but there are numerous small cobblers in the south. In both areas the domestic leather is purchased unless price inducement favours the imported product. The very fine qualities of leather are not in demand, as they are beyond the purchasing power of the average Portuguese. A fairly good pair of men's oxford's can be purchased at approximately 100 escudos (about \$4.50 Canadian).

In the opinion of importers, Canadian firms cannot compete successfully in the sole leather trade.

FIVE-YEAR PLAN FOR IRAQ

HENRI TURCOT, CANADIAN TRADE COMMISSIONER

Cairo, November 3, 1938.—The Government of Iraq has drawn up recently a program of public works to be carried out in five years. The development schemes envisaged, which will be financed with money available from oil royalties and budget surpluses, are estimated to cost £8,000,000. One of the main features of the program will be new irrigation schemes to enable important additional areas of land to be brought under cultivation. It is also proposed to construct a series of silos, so that grain can be stored when the world market position justifies a holding policy. One of the silos is to be built at the port of Basrah, and the others elsewhere in the country. Road construction forms another important item of the program. It is intended to build 5,000 kilometres (about 3,000 miles) of new roads, in order that the development of the country may not be held up by lack of adequate communication. Finally, there is a project for an automatic telephone exchange for Baghdad. Such, in short, are the main details of the plan.

JAPAN'S POPULATION, 1938

A. K. DOULL, ASSISTANT TRADE COMMISSIONER

Tokyo, November 11, 1938.—According to the Cabinet Statistics Bureau, the population of Japan proper on October 1, 1938, was estimated at 72,222,700, an increase of 969,900 over the figures for the same date last year and an increase of 2,968,552 over the figures given out at the last census in 1935.

Of the total population, 36,182,700 were males and 36,040,000 were females, showing a preponderance of 142,700 males or 0.4 per cent. There were 148 cities with a combined population of 25,946,700, or about 36 per cent of the total population of Japan proper. Tokyo, the largest city, had a population of 6,457,600, followed by Osaka (3,321,200), Nagoya (1,224,100), Kyoto (1,159,800), Kobe (989,100), and Yokohama (777,500). Hiroshima and Fukuoka had populations of 334,600 and 316,400 respectively, while Kure, Yawata, Sendai, Nagasaki, Shizuoka, Kawasaki, Hakodate, Sasebo, Yokosuka, Sapporo, and Kumamoto all have populations of over 200,000 but less than 300,000.

According to prefectures, Tokyo (6,963,900) is the largest, followed by Osaka (4,765,000), Hokkaido (3,226,400), Hyogo (3,094,400), Aichi (3,045,200), Fukuoka (2,897,100), Niigata (2,034,400), and Shizuoka (2,027,600).

TARIFF CHANGES AND CUSTOMS REGULATIONS

New Zealand

IMPORTS AND EXPORTS PLACED UNDER LICENCE

The Canadian Trade Commissioner in Auckland cabled on December 7 as follows: "Effective 7th December by Order in Council importation to New Zealand of any goods prohibited except under licence or otherwise exempted by the Finance Minister. Goods on the water on or before 5th December admitted without licence, also goods ordered on or before 5th December if imported by 31st December, 1938. By these regulations all other goods regardless of when ordered subject to licence. Licences will be issued to importers on the basis of this year's business, preference to be given essential requirements which cannot be produced advantageously in New Zealand.

"Effective 7th December all New Zealand exports also subject to licence."

A further cablegram dated December 8 was received from the Trade Commissioner as follows:—

“Referring to my telegram of 7th Finance Minister has now ruled goods ordered prior to 5th December and shipped not later than 31st December, 1938, exempted from licences provided that quantities are not abnormal.”

TARIFF DECISIONS

Recent decisions of the New Zealand Department of Customs as to the classification and rates of duty on articles regarding which question had been raised include the following:—

Horse-drawn or motor-operated lawn mowers, all types, are dutiable under tariff item No. 331-1 (“lawn mowers other than hand-roller type”) at 20 per cent ad valorem under British preferential tariff and 45 per cent plus 22½ per cent of duty to all non-British countries.

Push type or hand lawn mowers, all kinds, are dutiable under item 331-2 (“lawn mowers of the hand-roller type”) at 20 per cent under British preferential tariff, 30 per cent to Canada and Australia, 55 per cent plus 22½ per cent of duty to all non-British countries.

Elements for electric irons are dutiable under the same item as electric irons (338-10-a), 20 per cent under British preferential tariff, 30 per cent to Canada and Australia, 40 per cent to most favoured nations, 50 per cent plus 22½ per cent of duty to other non-British countries.

Fusible links for fireproof doors, and methyl bromide (a fire-extinguishing fluid), free of ordinary duty (but 3 per cent ad valorem primage duty) under British preferential tariff, 20 per cent plus 22½ per cent of duty to all non-British countries (item 325).

Hinges for use in the manufacture of lavatory seats, 20 per cent under British preferential tariff, 30 per cent to Canada and Australia, 50 per cent plus 22½ per cent of duty to all non-British countries (item 356-1-b).

The following are added to the list of articles approved for admission under item 352, free of ordinary duty (but 3 per cent primage duty) under British preferential tariff, 20 per cent to most favoured nations, and 25 per cent plus 22½ per cent of duty to all other non-British countries, viz: vulcanite taps, Bristol reverse-acting valves, cast iron strainers for steam traps, vulcanized rubber tanks for use in the manufacture of battery plates.

Canadian goods under the items quoted above, accompanied by the prescribed certificate of origin and shipped in accordance with New Zealand regulations are entitled to entry at the rates stated for Canada, and where no rate to Canada is stated are admissible under the British preferential tariff. “Most favoured nations” are: Argentina, Belgium, Brazil, China, Czechoslovakia, Egypt, Finland, Germany, Greece, Hungary, Italy, Japan, Netherlands, Norway, Spain, Sweden, Switzerland.

Australia

REDUCTION IN CANADIAN CONTENT REQUIRED IN CHASSIS PARTS

With reference to the notice appearing in *Commercial Intelligence Journal* No. 1818 (December 3, 1938), page 982, further information cabled by the Canadian Trade Commissioner in Sydney is that the reduction in Canadian content required for preference in Australia on motor vehicle chassis parts from 50 per cent to 25 per cent applies only to replacement parts when imported other than as a portion of a complete unassembled chassis, for example, transmission assemblies. The reduction in content requirement is designed to facilitate a bona fide supply of chassis parts.

France—Canada

TARIFF AND IMPORT QUOTA ADJUSTMENTS

With reference to the notice in *Commercial Intelligence Journal* No. 1749 (August 7, 1937), page 263, an Exchange of Notes between Canada and France was effected in Paris on November 12 to 18, 1938, whereby the French minimum tariff on calf brains, sweetened condensed milk, artificial carbonate of magnesia, uranium oxide, tellurium, incandescent mantles, gas and alcohol stoves, lamp and gas burners, and unspecified manufactures of aluminium, and an increase in the French cheese quota from 1·2 per cent to 2 per cent of the total are continued.

The new Exchange of Notes confirmed an additional French quota of 1,425 quintals of agricultural implements and 60 quintals of asbestos board which have already been utilized; allots a supplementary quota of 360 quintals of cultivators and a supplementary quota of 3,000 quintals of canned salmon. New French quota allotments are 90 quintals of wireless apparatus, 1 quintal of wireless valves (import licences for which are to be viséd by the Canadian Commercial Attaché in Paris), and 8 quintals of dynamo electric machines.

In consideration of the foregoing concessions, Canada agreed to surrender her quota on passenger automobiles for the year 1938.

French import licences for canned salmon are valid for a period of 150 days from the date the French Marine Department will have issued them to importers of canned salmon from Canada, and import licences for the other goods are valid for 120 days.

Netherlands

MONOPOLY TAX INCREASED ON CEREALS AND CEREAL PRODUCTS

Mr. J. A. Langley, Canadian Trade Commissioner at Rotterdam, advises that by virtue of a ministerial order, effective November 20, 1938, the Netherlands monopoly tax leviable on certain cereals and cereal products on entry into the country has been increased.

The commodities affected which are of particular interest to Canadian exporters, together with the old and new rates, are as follows per 100 kilos (220 pounds):—

	Old Rate Florins	New Rate Florins
Wheat	2.50	3.00
Rye	4.00	4.50
Rye (denatured)	2.50	3.00
Oats	2.50	3.00
Buckwheat	2.00	2.50
Macaroni	6.50	7.25
Wheatflour	5.87	6.62

The monopoly tax on barley has remained unchanged at Fl. 3.50 per 220 pounds.

Venezuela

NEW CONSULAR INVOICE FORM

Mr. Francisco Pacanins, Consul General of Venezuela in Montreal, writes that a Venezuelan decree of September 30, 1938, prescribes a new form of consular invoice to be used on shipments to Venezuela from and after November 23, 1938. A special space is reserved on the new form to indicate the country of origin of the goods. The new form takes the place of the separate certificate of origin which had previously been prescribed (see *Commercial Intelligence Journal* No. 1810: October 8, 1938, page 658). Copies of the new form may be obtained from any Venezuelan consulate in Canada at a price of 10 cents each.

The following is a translation of the decree of September 30:—

UNITED STATES OF VENEZUELA—TREASURY DEPARTMENT

CABINET'S SECTION, CARACAS, September 30, 1938.

Whereas an official model of the Venezuelan consular invoice has been established, the use of which shall become compulsory from and after November 23, 1938, and a special space having been herein reserved to indicate the country of origin of the goods shipped to Venezuela and covered by consular invoice,

By Command of His Excellency the President of the Republic, the following is decreed:

1. The aforesaid invoice shall substitute the certificate of origin which was created by a Resolution of this Department dated August 10, 1938, whenever goods are shipped by ordinary way to Venezuela.

2. The confirmation of the origin of the goods shipped to Venezuela is a prerequisite in order that the respective consular invoice be certified by the Consul of Venezuela, or, if missing, by one of a friendly nation, and has to be obtained through any legal proof, witnesses' evidence excepted. Preference will be given to a declaration under oath by the manufacturers or makers or to the authentication of the respective board of trade.

3. Shipments made to Venezuela by any other way than the one followed in ordinary imports shall require a certificate of origin issued by any competent authority of the place in which the merchandise is manufactured. Said certificate shall be made out in duplicate and sealed by the Venezuelan diplomatic or consular officer, or, if missing, by a consul of a friendly nation in the place of origin of the goods. To obtain delivery of the goods in the city of destination in Venezuela, the consignee shall produce both copies of the certificate of origin, which shall be distributed as follows: the original shall be added to the respective file in Venezuela and the duplicate remitted to the Treasury Department for statistical purposes.

4. In case of parcel-post shipments, the origin of the goods may be indicated in the respective customs declarations, dispensing with the seal referred to in the previous paragraph. In air-express shipments, the country of origin of the goods may be mentioned in the "air forms" or customs declarations which are formulated by shippers, previous confirmation of the origin of said goods being effected before the corresponding consular officer, according to the regulation set forth in paragraph No. 2 of this decree.

5. Only one certificate of origin is required to cover goods originating from the same country, provided they are part of the same shipment and are consigned to the same person.

6. The certificate of origin in question shall become obligatory on shipments from and after November 23, 1938.

7. The previous decree bearing date August 10, 1938, and creating the separate certificate of origin is consequently repealed.

Panama

PRESENTATION OF DOCUMENTS FOR CONSULAR CERTIFICATION

A decree published in the *Panama Official Gazette* of November 23 states that consular invoices and other shipping documents may be presented to the respective consulates of Panama up to twenty-four hours after the sailing of the ship carrying the merchandise, and whenever such presentation is made later than the stipulated twenty-four hours, consular fees will be doubled. The former regulation was that shipping documents should be presented to the consular officers before four o'clock in the afternoon of the day previous to the sailing of the vessel.

Documents required for freight shipments to the Republic of Panama are: six copies of the consular invoice, four copies of the commercial invoice, and four copies of the bill of lading. These must be presented for certification to a consul for Panama at the port or point of shipment. Consular invoice blanks are available from consuls for Panama located in Halifax, Montreal, Toronto, and Vancouver. The regulations require all documents to be in Spanish, but bills of lading and commercial invoices in English are accepted.

Further details concerning Panama invoice requirements are contained in F.T.D. Leaflet 118, obtainable on application to the Department of Trade and Commerce, Ottawa.

TENDERS INVITED

New Zealand

Copies of specifications have been received from Mr. W. F. Bull, Canadian Trade Commissioner at Auckland, for equipment required by the Public Works Department and the Post and Telegraph Department, Wellington. These specifications are open for inspection by interested Canadian firms on application to the Department of Trade and Commerce, Ottawa. Tenders should be addressed to the Secretary, Public Works Supplies and Tenders Committee, Wellington, and the Director-General (Stores Division), General Post Office, Wellington, in accordance with these specifications.

Particulars are as follows:—

Public Works Department.—Section 479, Mangahao Scheme: 25-ton overhead travelling crane for New Plymouth substation (tenders close February 7, 1939).

Post and Telegraph Department.—59,000 arm bolts of various dimensions to the New Zealand Post and Telegraph Department's specification No. 322, except that washers are not required (tenders close January 31, 1939).

FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING DEC. 5, 1938

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, December 5, 1938, and for the week ending Monday, November 28, 1938, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending Nov. 28	Nominal Quotations in Montreal Week ending Dec. 5	Official Bank Rate
Austria	Schilling	.1407	. . . . .	. . . . .	—
Belgium	Belga	.1001	\$.1702	\$.1697	2½
Bulgaria	Lev	.0072	.0124	.0124	6
Czechoslovakia	Koruna	.0296	.0344	.0345	3
Denmark	Krone	.2680	.2086	.2112	4
Finland	Markka	.0252	.0206	.0209	4
France	Franc	.0392	.0261	.0266	2½
Germany	Reichsmark	.2382	.4029	.4041	4
Great Britain	Pound	4.8666	4.6750	4.7325	2
Greece	Drachma	.0130	.0086	.0087	6
Holland	Guilder	.4020	.5474	.5480	2
Hungary	Pengo	.1749	.2983	.2989	4
		Unofficial	.1975	.1980	—
Italy	Lira	.0526	.0529	.0530	4½
Yugoslavia	Dinar	.0176	.0228	.0230	5
Norway	Krone	.2680	.2349	.2377	3½
Poland	Zloty	.1122	.1891	.1897	4½
Portugal	Escudo	.0442	.0425	.0429	4-4½
Roumania	Leu	.0060	.0073	.0074	3½
Spain	Peseta	.1930	.0510	.0503	5
Sweden	Krona	.2680	.2408	.2438	2½
Switzerland	Franc	.1930	.2284	.2282	1½
United States	Dollar	1.0000	1.0059	1.0081	—
Mexico	Peso	.4985	.2009	.2014	—
Cuba	Peso	1.0000	1.0052	1.0074	—
Guadeloupe	Franc	.0392	.0261	.0266	—
Jamaica	Pound	4.8666	4.6850	4.7425	—
Martinique	Franc	.0392	.0261	.0266	—
Other British West Indies	Dollar	1.0138	.9740	.9859	—
Argentina	Peso (Paper)	.4245	.3116	.3155	3½
		Unofficial	.2278	.2299	—
Brazil	Milreis (Paper)	.1196	.0590	.0591	—
British Guiana	Dollar	1.0138	.9740	.9859	—
Chile	Peso	.1217	.0521	.0522	4½
		Unofficial	.0402	.0403	—
Colombia	Peso	.9733	.5732	.5744	4
Peru	Sol	.2800	.2012	.2016	6
Venezuela	Bolivar	.1930	.3118	.3125	—
Uruguay	Peso	1.0342	.6149	.6225	—
South Africa	Pound	4.8666	4.6687	4.7262	3½
Egypt	Pound (100 Piastres)	4.9431	4.7887	4.8491	—
China (Shanghai)	Dollar	. . . . .	.1573	.1612	—
Hongkong	Dollar	. . . . .	.2909	.2953	—
India	Rupee	.3650	.3491	.3531	3
Japan	Yen	.4985	.2723	.2756	3.29
Java	Guilder	.4020	.5481	.5482	—
Siam	Baht (Tical)	.4424	.4285	.4335	—
Straits Settlements	Dollar	.5678	.5434	.5500	—
Australia	Pound	4.8666	3.7400	3.7850	3
New Zealand	Pound	4.8666	3.7550	3.8010	4

The Dominion Bureau of Statistics has supplied the following note:—

The British pound and French franc showed further material appreciation in terms of Canadian funds during the week ended December 5. Between November 29 and December 5 sterling advanced almost 5 cents from \$4.6827 to \$4.7322. Francs were independently strong at times, due mainly to repatriation of French capital following Premier Daladier's termination of the general strike. On December 2 the franc was quoted under 178 to the pound for the first time in over four months. Quotations for the independent currencies indicated moderate weakness for the Belgian belga and Swiss franc, although the Netherlands florin became firmer following a weak opening. The premium on the United States dollar gained $\frac{3}{8}$ to $\frac{1}{4}$ of 1 per cent during the period under review. Gold holdings of the United States stood at \$14,312,000,000 on November 30, indicating an increase of about \$300,000,000 during the past two months.

Canadian Trade Commissioners should be kept supplied with catalogues, price lists, discount rates, etc., and the names and addresses of trade representatives by Canadian exporters. Catalogue should state whether prices are at factory point, f.o.b. at port of shipment, or, which is preferable, c.i.f. at foreign port.

The Canadian Government Trade Commissioners at the present time are using Bentley's Second Phrase Code.

TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

Secretary, Board of Trade—

- Saint John, N.B.
Halifax, N.S.
Quebec, P.Q.
Montreal, P.Q.
Toronto, Ont.
Chatham, Ont.
- Kitchener, Ont.
Brantford, Ont.
Stratford, Ont.
Woodstock, Ont.
St. Mary's, Ont.
Portage la Prairie, Man.
- St. Boniface, Man.
Winnipeg, Man.
Vancouver, B.C.
New Westminster, B.C.

Secretary, Chamber of Commerce—

- Sherbrooke, P.Q.
Kingston, Ont.
Oshawa, Ont.
Belleville, Ont.
- Peterborough, Ont.
London, Ont.
St. Catharines, Ont.
Hamilton, Ont.
- Victoria, B.C.
Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.—

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce
Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

Secretary, Canadian Manufacturers Association—

- Toronto, Ont.
Montreal, P.Q.
- Winnipeg, Man.
Edmonton, Alta.
- Vancouver, B.C.
Victoria, B.C.

Director, Trade Extension, Victoria, B.C.

Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.

Commodity	No.	Location of Inquirer	Purchase or Agency
Foodstuffs— Herrings (Canned).....	597	Bulawayo, Southern Rhodesia.....	Agency.
Miscellaneous— Rye Whisky.....	598	New York City, New York	Purchase and Agency.
Lingerie.....	599	London, England.....	Agency.
Abrasive Paper.....	600	Melbourne, Australia.....	Purchase.
Wood Pulp.....	601	New York City, New York	Purchase and Agency.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Saint John

To Liverpool.—Duchess of Richmond, Dec. 13; Duchess of Atholl, Dec. 15 and Jan. 13; Montrose, Dec. 23; Montclare, Dec. 30; Duchess of York, Jan. 6—all Canadian Pacific.

To London.—Beaverhill, Dec. 15; Beavertdale, Dec. 22; Beaverford, Dec. 29; Beaverburn, Jan. 5; Beaverbrae, Jan. 12—all Canadian Pacific.

To Manchester.—Manchester Division, Dec. 15; Manchester Regiment, Dec. 22; Manchester Port, Dec. 29; Manchester Commerce, Jan. 5; Manchester Progress, Jan. 12—all Manchester Line.

To Southampton.—Duchess of Richmond, Canadian Pacific, Dec. 13.

To Avonmouth, Cardiff and Swansea.—Dakotian, Dec. 15; Dorelian, Dec. 31—both Cunard-Donaldson and Dominion Lines.

To Glasgow.—Sulairia, Dec. 21; Delilian, Jan. 7—both Donaldson-Atlantic Line.

To Newcastle and Leith.—Cairnesk (calls at Dundee), Dec. 17; Cairnross, Dec. 27; Cairnvalona, Jan. 3; Cairnglen (calls at Dundee), Jan. 10—all Cairn-Thomson Line.

To Dublin and Belfast.—Torr Head, Dec. 18; Melmore Head, Jan. 10—both Head Line (cargo accepted for Cork and Londonderry).

To Hamburg.—Beaverford, Canadian Pacific, Dec. 29.

To Antwerp.—Beaverhill, Dec. 15; Beavertdale, Dec. 22—both Canadian Pacific.

To Marseilles, Genoa, Leghorn, Naples, Messina, Palermo, Gibraltar and Lisbon.—Capo Lena, Dec. 21; Capo Olmo, Jan. 18—both Capo Line (will also call at Cadiz and/or Seville and/or Casablanca if sufficient cargo offers).

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Drake, Dec. 21; Lady Nelson, Jan. 4; Lady Hawkins, Jan. 18—all Canadian National.

To Kingston and Jamaican Outports.—Esparta, Dec. 17; San Jose, Dec. 31; Metapan, Jan. 14—all United Fruit Co.

To Brisbane, Sydney, Melbourne and Adelaide.—Kaikoura, Dec. 30; Port Nicholson, Jan. 30—both Montreal Australia New Zealand Line (will also call at Geelong).

To Auckland, Wellington, Lyttelton and Dunedin.—City of Glasgow (also calls at Timaru and Bluff), Dec. 21; Kaimata, Jan. 7—both Montreal Australia New Zealand Line.

To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Madras, Rangoon, Calcutta and Singapore.—City of Khios, Dec. 14; City of Wellington, Dec. 26; City of Mobile, Jan. 14—all Canada-India Service.

To Cape Town, Port Elizabeth, East London and Durban.—Bereby, Dec. 15; Mattawin (also calls at Freetown, Lourenco Marques and Beira), Dec. 27—both Elder Dempster Lines Ltd.

From Halifax

To Liverpool.—Duchess of Richmond, Dec. 14; Duchess of Atholl, Dec. 16; Montrose, Dec. 24; Montclare, Dec. 31; Duchess of York, Jan. 7—all Canadian Pacific; Nova Scotia, Furness Line, Dec. 24; Manchester Brigade, Manchester Line, Dec. 29.

To London.—Beaverhill, Dec. 16; Beavertdale, Dec. 23; Beaverford, Dec. 30; Beaverburn, Jan. 6; Beaverbrae, Jan. 13—all Canadian Pacific; Ascania, Dec. 17; Ausonia, Dec. 23; Alaunia, Dec. 31—all Cunard-White Star Line.

To Manchester.—Manchester Division, Dec. 17; Manchester Regiment, Dec. 24; Manchester Port, Dec. 31; Manchester Commerce, Jan. 7; Manchester Progress, Jan. 14—all Manchester Line.

To Southampton.—Duchess of Richmond, Canadian Pacific, Dec. 14.

To Newcastle and Leith.—Cairnesk (also calls at Dundee), Dec. 19; Cairnross, Dec. 29; Cairnvalona, Jan. 5; Cairnglen (also calls at Dundee), Jan. 12—all Cairn-Thomson Line; Gitano, Dec. 27; Consuelo, Jan. 11—both Ellerman's Wilson Line (do not call at Leith).

To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.—Gloucester City, Dec. 23; Boston City, Jan. 11—both Bristol City and Dominion Lines; Dakotian, Dec. 17; Dorelian, Jan. 4—both Cunard-Donaldson and Dominion Lines.

To Aberdeen and Hull.—Gitano, Dec. 27; Consuelo, Jan. 11; Bassano, Jan. 28—all Ellerman's Wilson Line.

To Glasgow.—Athenia, Dec. 12; Sulairia, Dec. 24; Delilian, Jan. 10—all Donaldson-Atlantic Line.

To Copenhagen and Gdynia.—Batory, Gdynia-American Line, Dec. 13 and Jan. 21.

To Gothenburg.—Braheholm (also calls at other Scandinavian ports), Swedish-American-Mexico Line, Dec. 27.

To Antwerp.—Beaverhill, Dec. 16; Beaverville, Dec. 23—both Canadian Pacific.

To Hamburg.—Beaverford, Dec. 30; Beaverville, Jan. 27—both Canadian Pacific.

To St. John's, Nfld.—Belle Isle, Dec. 12 and 26, Jan. 9 (also calls at St. Pierre); Magn-hild, Dec. 15 and 29, Jan. 12 (also calls at St. Pierre and Newfoundland outports)—both Newfoundland-Canada S.S. Ltd.; Fort Amherst (also calls at St. Pierre), Furness-Red Cross Line, Dec. 19, Jan. 2 and 16; Portia, Newfoundland Ry and S.S. Co., Dec. 21 and Jan. 4; Nova Scotia, Furness Line, Dec. 24.

To Hamilton, Nassau, Kingston and Belize.—Cathcart (calls at Kingston only), Dec. 15; Lady Rodney, Dec. 22; Cavalier (calls at Kingston only), Dec. 29; Lady Somers, Jan. 5—all Canadian National.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Hawkins, Dec. 15; Lady Drake, Dec. 29; Lady Nelson, Jan. 12—all Canadian National; a steamer, Ocean Dominion S.S. Corp., Dec. 12 and 27, Jan. 9 (call at Guadeloupe and Martinique if sufficient cargo offered but not at Nevis or Montserrat).

To Puerto Rico, Barbados, Trinidad and Demerara.—Colborne, Dec. 24 and Jan. 28; Chomedy, Jan. 14—both Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To Santiago (Cuba) and Kingston (Jamaica).—Kirsten B, Dec. 14; Lillemor, Dec. 28; a steamer, Jan. 11—all Pickford & Black Ltd. (also call at Jamaican outports as cargo offers).

To Brisbane, Sydney, Melbourne and Adelaide.—Kaikoura, Dec. 17; Port Nicholson, Jan. 17—both Montreal Australia New Zealand Line (will also call at Geelong).

To Auckland, Wellington, Lyttelton and Dunedin.—City of Glasgow (also calls at Timaru and Bluff), Dec. 30; Kaimata, Jan. 21—both Montreal Australia New Zealand Line.

To Far East Ports.—Siamese Prince, Furness-Prince Line, Dec. 22.

From Vancouver

To Yokohama, Kobe and Osaka.—Heian Maru, Dec. 22; Hie Maru, Jan. 24—both Nippon Yusen Kaisha.

To Yokohama, Kobe, Shanghai, Hongkong and Manila.—Empress of Asia (calls at Nagasaki), Dec. 24; Empress of Canada (calls at Honolulu), Jan. 7; Empress of Russia (calls at Nagasaki), Jan. 21—all Canadian Pacific; Talthybius, Dec. 22; Tyndareus, Jan. 19—both Blue Funnel Line (call at Mülke but not at Manila).

To Dairen.—Anneliese Essberger, North Pacific Shipping Co. Ltd., middle December.

To Honolulu, Suva, Auckland and Sydney.—Niagara, Dec. 21; Aorangi, Jan. 18—both Canadian-Australasian Line.

To Manila, Iloilo, Cebu, Soerabaya, Samarang, Batavia, Colombo and Bombay.—Hopecrest (calls at Belawan Deli, also at Singapore, Port Swettenham and Penang if cargo offers), Dec. 24; Bengkalis (calls at Saigon, Singapore and Persian Gulf ports, also at Port Swettenham, Belawan Deli and Penang if cargo offers), Jan. 1; Salawati (calls at Belawan Deli, also at Singapore, Port Swettenham and Penang if cargo offers), Jan. 24—all Silver-Java Pacific Line.

To Papeete, Auckland, Wellington and Sydney.—Tolten (also calls at Melbourne and Lyttelton), Canadian-Australasian Line, Jan. 9

To Brisbane, Sydney, Melbourne and Adelaide.—Anten, Empire Shipping Co. Ltd., Jan. 25.

To London, Liverpool and Rotterdam.—Dinteldyk, Dec. 24; Lochavon (also calls at Glasgow), Jan. 7; Lochkatrine, Jan. 21—all North Pacific Coast Line (will call at Southampton if inducements offer).

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To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.—Fort Royal, Dec. 11; Wyoming, Dec. 24—both Empire Shipping Co. Ltd.

To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.—Leme, Jan. 5; Fella, Jan. 29—both Empire Shipping Co. Ltd.

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To Port of Spain (Trinidad) and Bridgetown (Barbados).—Belnor, Canadian Transport Co., about Dec. 15.

To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.—Brandanger, Dec. 27; Hardanger, Jan. 27—both Empire Shipping Co. Ltd. (will call at West Coast ports if sufficient cargo offered).

Note.—Firms who desire information concerning ocean and mail services may have their names placed on the mailing list of the Post Office Weekly Bulletin by applying to the Post Office Department.

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London: W. A. WILSON, Animal Products Trade Commissioner, Canada House, Trafalgar Square, S.W.1. *Cable address, Agrilson.*

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Note.—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.

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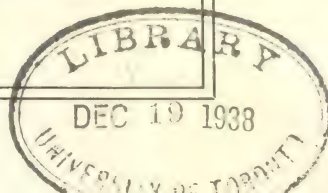
No. 1820



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Courtesy Aftenposten, Oslo

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THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE
JAMES G. PARMELEE, DEPUTY MINISTER



CONTENTS

	Page
The British West African Market: A Survey in the Interests of Canadian Export Trade:	
I. Introductory	1025
Trinidad's Five-year Plan	1034
Housing Developments in Trinidad	1035
Scottish Building Centre	1038
Growers' Rubber Bands in the West of England.....	1040
Wheat and Flour Trade Regulations in France.....	1041
Norwegian Wheat Purchases	1041
Swedish Flour-milling Regulations	1042
United States Grass and Clover Seed Market—I.....	1042
Economic Conditions in Ecuador	1046
Trans-Canada Air Mail Service	1049
Tariff Changes and Customs Regulations	1049
Trade Inquiries for Canadian Products	1051
Foreign Exchange Quotations	1052
Proposed Sailings from Canadian Ports.....	1053
Commercial Intelligence Service	1055

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THE BRITISH WEST AFRICAN MARKET

A Survey in the Interests of Canadian Export Trade

H. L. BROWN, ASSISTANT TRADE COMMISSIONER

I. INTRODUCTORY

London, November 24, 1938.—As some years had elapsed since a representative of the Canadian Government last visited British West Africa in the interests of Canadian export trade, early in 1937 it was decided to detail an officer to examine afresh the possibilities available to Canadian exporters. Prior to his departure for West Africa for this purpose, he spent some time in study of the market in England and took occasion to call on the important West African trading firms which have their offices in Liverpool, Manchester, and London.

The visit to British West Africa covered the period from early January to the end of April, 1938. It included a week in the Gambia; two weeks in Sierra Leone; nearly five weeks in the Gold Coast, of which some two weeks was spent in the interior; and over five weeks in Nigeria, of which nearly three weeks was spent in the delta country and the interior.

At the time the decision was made for a fresh survey of the British West African market business conditions were improving rapidly in the colonies. In fact, early 1937 proved to be a period of successful and extensive trade in West Africa. However, business dropped drastically in the last months of the year and showed little sign of improvement in early 1938. This condition militated against immediate efforts on behalf of the few Canadian products which might be expected to find sale in fair volume. At the same time, it provided greater time and opportunity for full discussion of general possibilities with traders. The consolidation of the immense amount of information collected through the courtesy and kind co-operation of government officials, traders, and bankers is found in the pages of this report.

CANADA AND BRITISH WEST AFRICA

The policy of a closer trade relationship between the colonies of British West Africa and Canada has resulted in reciprocal preferential tariff arrangements between Canada and the two smaller colonies of Sierra Leone and the Gambia; but prior arrangements between the United Kingdom and France, and also between the United Kingdom and the Netherlands, rendered impossible any preferential treatment for Canadian goods in the Gold Coast and Nigeria.

There is a moderate volume of commercial traffic between the Dominion and the four colonies, but imports from Canada have never been outstandingly large due principally to the cheapness required of the quantity lines. The extent of the trade between Canada and these colonies is indicated by the following two tables, which show the values of exports from Canada to British West Africa and of imports into Canada from British West Africa, according to Canadian trade figures, for the seventeen years from 1922 to 1938.

Exports from Canada to British West Africa

Year ending Mar. 31	Gambia	Gold Coast	Nigeria	Sierra Leone	British West Africa
1922	\$ 1,273	\$ 99,402	\$ 20,872	\$ 6,293	\$ 127,840
1923	1,289	52,347	22,924	6,390	82,950
1924	7,446	97,877	88,508	16,032	209,863
1925	3,041	160,004	64,929	29,433	257,407
1926	3,202	185,350	265,331	38,365	492,248
1927	11,191	398,983	334,093	74,121	818,388
1928	9,254	464,641	331,806	72,855	878,556
1929	30,482	595,655	545,734	76,641	1,248,512
1930	19,114	689,999	300,450	64,461	1,074,024
1931	16,073	540,896	293,572	59,261	909,802
1932	2,951	298,876	77,294	19,783	398,904
1933	10,656	168,636	53,020	70,527	302,839
1934	6,577	179,852	93,310	68,208	346,947
1935	19,742	143,304	94,524	90,538	348,108
1936	37,525	222,119	164,736	186,113	610,493
1937	37,406	375,057	189,741	257,981	860,185
1938	57,462	300,516	218,694	245,217	821,889

Imports into Canada from British West Africa

Year ending Mar. 31	Gambia	Gold Coast	Nigeria	Sierra Leone	British West Africa
1922	\$ 12,558	\$ 1,900	\$ 218	\$ 14,676
1923	188,601	.....	942	189,543
1924	228,734	.....	23	228,757
1925	151,974	.....	.....	151,974
1926	1,325,708	30,925	3,929	1,360,562
1927	680,605	34,736	2,833	718,174
1928	1,823,922	33,703	.....	1,857,625
1929	1,127,621	400	2,445	1,130,466
1930	1,279,098	.....	6,909	1,286,007
1931	1,132,468	10,468	5,574	1,148,510
1932	317,100	.....	5,518	322,618
1933	134,823	30,032	4,220	169,075
1934	364,070	142,143	946	507,159
1935	345,217	237,207	4,645	587,069
1936	449,762	545,656	9,626	1,005,044
1937	\$ 6	1,091,120	400,778	6,231	1,498,129
1938	39	1,082,546	490,738	6,071	1,579,394

THE COUNTRY AND ITS PEOPLE¹

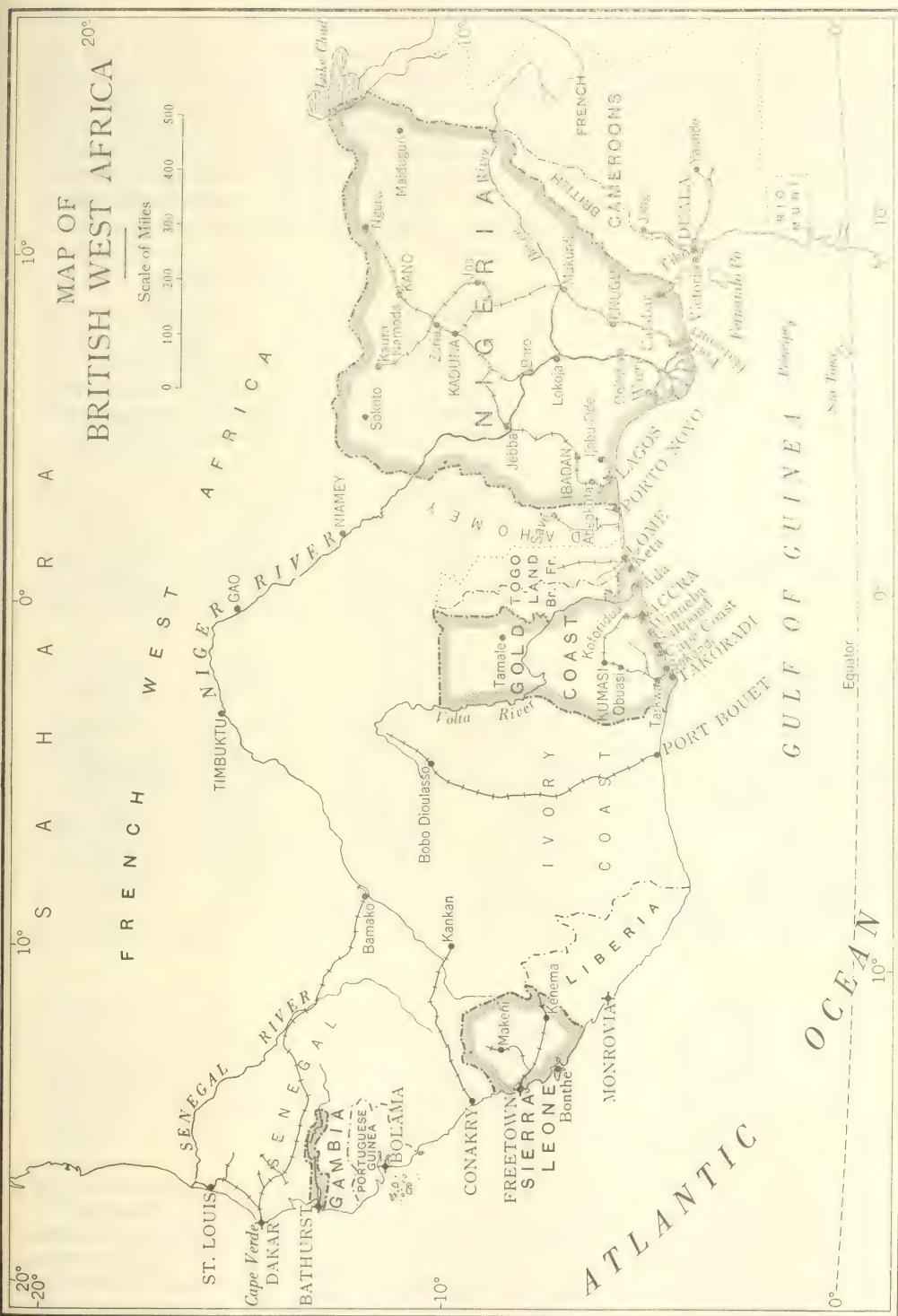
The colonies of British West Africa are in themselves quite small, the greater part of the area being comprised of protectorates, ruled by African chieftains acting with the advice of resident officers. The term "colony" is used in this report, however, in a general sense to include related protectorates and territories as well as actual colonies.

GOVERNMENT

Each colony is under the control of an appointed Governor who is advised by an ex-officio Executive Council and an ex-officio and nominated Legislative Council. The work of government is carried out through a Civil Service comprising various departments to cover political administration, customs, public works, health, education, etc. The governments of each of the colonies, while co-operating, act independently of one another, as for example in customs tariffs and regulations.

¹ For more complete information on each of the Colonies, reference should be made to the following official publications, obtainable from H.M. Stationery Office, Adastral House, London, W.C.2:

Annual Report on the Social and Economic Progress of the People of the Gambia, 2/0.
 Annual Report on the Social and Economic Progress of the People of the Gold Coast, 2/0.
 Annual Report on the Social and Economic Progress of the People of Nigeria, 3/6.
 Annual Report on the Social and Economic Progress of the People of Sierra Leone, 2/0.

*Report of the Senate Council, 1881*

GEOGRAPHY, TOPOGRAPHY, AND POPULATION

The four colonies face on the southwestern and southern coasts of that part of Africa which reaches out into the South Atlantic opposite the northern republics of South America. That part of Africa is made up principally of the Sahara desert, with an intermittent fringe of mountain and forest, and all four colonies are affected by the commerce and conditions of the Sahara and its peoples. The colonies are each bounded on the landward frontiers by French West Africa and, in the case of Sierra Leone, also by Liberia. The border traffic in most districts is quite extensive and plays a not unimportant part in the life and commerce of the people.

The Gambia comprises 10 kilometres on either bank of the river of that name which extends inland for some 300 miles. It has a population of about 200,000 Africans and perhaps 300 Europeans and Syrians. Exports from the Gambia in 1936 amounted to about \$11 per capita, while imports averaged about \$14.50. Actually, so large a part of the imported goods usually finds its way across the borders into French West Africa that the consumption of importations per capita probably does not exceed \$9 and is possibly not over \$5 per annum.

General Information on British West Africa

Political Composition	Gambia Colony and Protectorate	Gold Coast Colony, Ashanti and Northern Territories; also British mandated Togoland	Nigeria Colony and Protectorate; also British mandated Cameroons	Sierra Leone Colony and Protectorate
Area, square miles	4,003	91,843	372,674	27,925
Capital	Bathurst	Accra	Lagos	Freetown
Population	14,000	70,000	140,000	62,000
Population (estimated)—				
African	200,000	3,700,000	20,500,000	1,800,000
Non-African	300	3,200	5,500	1,850
Exports (1936)	\$2,227,020	\$61,199,760	\$74,648,850	\$11,124,590
Imports (1936)	\$2,911,335	\$42,654,450	\$54,148,045	\$6,396,815
Imports, per capita (approx.)..	\$14.50	\$11.50	\$2.50	\$3.50
Railways	None	500 miles	2,184 miles	362 miles
Roads, total	870 miles	6,200 miles	21,000 miles	1,100 miles
All-season	179 miles	2,000 miles	8,000 miles	875 miles
Dry-season	691 miles	4,200 miles	13,000 miles	225 miles
Newspapers	2	10	15	4
Weights and measures—Imperial, as in the United Kingdom.				
Currency—West African currency at par with pound sterling.				
Banks—The Bank of British West Africa, Ltd., Barclays Bank (D.C. & O.)—not in the Gambia.				

Sierra Leone, from Freetown north, is mainly grass flats with irregular mountain ranges rising to about 3,000 feet. To the east of these mountains rises the Niger River. The south is wooded and slopes down to the sea, the coast being low and broken by numerous lagoons and creeks. The native population is in the neighbourhood of 1,800,000 Africans and there are about 650 Europeans and some 1,200 Asiatics, mainly Syrians. Exports in 1936 averaged about \$6 a head and imports about \$3.50.

The Gold Coast divides naturally into three topographical areas: the coastal area of plain and scrub, which varies in width from a mile at Takoradi to sixty miles on the eastern frontier; the forested area of steep ridges and isolated hills, which includes generally the centre of the country and the chief farming and cocoa districts; the open and bush country of the Northern Territories, which takes the boundary northward towards the Niger as it flows east. The population comprises about 3,700,000 Africans and nearly 3,000 non-Africans, mainly Europeans, but including upwards of 1,000 Syrians. Exports in 1936 approximated \$16.50 a head and imports about \$11.50.

Nigeria also divides roughly into three topographical areas: the coastal area of mangrove swamp, intersected and broken up by rivers and innumerable connecting creeks, including the extensive waterways of the Niger delta; the belt of tropical forest and oil palm bush about fifty to a hundred miles wide and covering the greater part of southern Nigeria; the open woodland and treeless plains of northern Nigeria which merge into the Sahara. In the northwest the Niger enters from French territory and flows to meet its largest tributary, the Benue, at Lokoja, whence the combined rivers turn south to enter the Gulf of Guinea through the innumerable streams of the great mangrove swamp which is the delta.

The African population is well over 20,000,000 and there are some 5,500 Europeans and Syrians. Exports in 1936 averaged a little over \$3.50 a head and imports about \$2.50.

LOCAL FOOD CROPS AND ANIMALS

Agriculture is the foundation industry of all four colonies. In addition to the export crops, which will be dealt with later, each colony produces food crops such as maize, guinea corn and millet and plantain, cassava and yams of various kinds, as well as numerous fruits; while Sierra Leone produces a large quantity of rice which is consumed in the country. Palm oil and groundnut oil are important foods. The interior peoples are farmers and herdsmen of cattle, goats, sheep and a few pigs. The coast peoples are farmers, artisans and clerks and have some animals but actually use little meat. They consume a small quantity of fresh and smoke-and-sun-dried fish. There is a certain amount of meat shipped to the coast from the interior and of locally cured fish from the coast to the interior.

LOCAL INDUSTRIES

There is little industrial development in any of the colonies. In the Gambia there is an ice plant. In Sierra Leone there are two cold storage plants, two aerated water plants and a small rice mill. In the Gold Coast there are several aerated water plants, several cold storage installations, a successful brewery, a rice mill, two palm oil extraction plants, a number of sawmills, two lime juice factories and a plant for the canning and casing of bulk-imported gasoline and oil. In Nigeria there is a cigarette factory, a soap factory, a cold storage company, several producers of aerated waters, a number of sawmills, cotton ginneries, groundnut decorticating plants and installations for treating palm oil, and a plant for the canning and casing of bulk-imported gasoline and oil.

THE BUYING PUBLIC

For all commodities except the few of interest only to Europeans and the Africans enjoying a European standard of living, the buying public is made up of the Africans who are mainly Negro, but also with some Semitic admixture from the desert nomads of the interior. All these are farmers, herdsmen and labourers with a fair proportion of petty traders and moderate numbers of artisans. Apart from government employees and the clerks of the trading companies, whose incomes range from about \$10 to \$60 a month, the great bulk of the people have incomes equal only to a few dollars a month. The imports per capita give some indication of the smallness of income. Purchases are consequently confined largely to essentials such as cotton goods and simple apparel, certain foodstuffs (of which fish, flour, hard biscuits and a few others are typical), proprietary medicines, and corrugated iron, and to a few "essential" luxuries, such as tobacco and alcoholic beverages. These are referred to as "trade lines" and comprise inexpensive lines with a large turnover. Never-

theless, the African is appreciative of many of the less strictly essential goods and, when money is plentiful, spends well for them. In addition, the development of business has brought with it a good demand for such things as automobiles and bicycles.

One of the most interesting characteristics of the African is his ultra-conservatism, his comparative lack of interest in change. This is of importance in business, because it is one of the obstacles to the introduction of new brands or products, while at the same time proving to be a valuable asset to those products well established in the popular demand.

Yet the Africans are also imbued with a shrewd buying faculty which, combined with natural curiosity, will sometimes lead them to try out new brands and products. If such new products do not measure up to their conservative standards of price and desirability, however, their interest vanishes and is most difficult to re-arouse. Similarly, once a brand or type of merchandise has failed to meet their requirements, they will have nothing further to do with it—a characteristic which forms a most important reason to keep quality unchanged.

THE TRADE AND THE EUROPEAN TRADE

The difference in the number of Africans and non-Africans is very marked and so also is the standard of living. As already pointed out, the most important commodities imported are mainly for consumption by the Africans and are usually referred to as "trade lines," such as, for example, cotton and other piece-goods, canned and dried fish. The difference is sometimes emphasized by the use of such expressions as "trade gin." Naturally the interest of the trading companies is in "trade lines" and, in the main, the European trade is incidental.

As there are only some 10,000 non-Africans in British West Africa and as these are scattered throughout the various colonies, it will be obvious that the European trade is very limited in extent and value, even though supplemented by the requirements of a number of Africans who purchase many of the same commodities. Articles finding sale mainly in this channel are cold storage lines and better quality canned goods, such as fruits, vegetables and soups.

ORGANIZATION OF TRADE

The colonies of British West Africa are all exporters of primary materials of a very limited range. The Gambia exports only groundnuts; the Gold Coast mainly cocoa, gold, manganese and diamonds; Nigeria mainly palm kernels, palm oil, groundnuts, tin, cocoa and cotton; and Sierra Leone mainly palm kernels, diamonds, iron ore and gold.

The following table shows the values of the exports of principal products in 1936 and 1937 for each of the four colonies:—

Exports of Principal Products

	Gambia		Gold Coast		Nigeria		Sierra Leone	
	1936	1937	1936	1937	1936	1937	1936	1937
Values in Thousands of Pounds Sterling								
Total*	£435	£665	£12,240	£17,771	£14,930	£19,242	£2,225	£2,820
Bananas			5	6	254	289		
Benniseed					110	108	5	2
Cocoa			7,660	9,989	1,997	3,657	5	9
Cotton					554	497		
Cotton seed					91	38		
Ginger					9	13	59	98
Groundnuts	427	653			2,847	4,058		
Kola nuts			89	84			41	60
Palm kernels	5	7	107	104	3,637	3,648	810	885
Palm oil			6	11	2,079	2,369	16	42
Peppers							1	1

Exports of Principal Products—Concluded

	Gambia		Gold Coast		Nigeria		Sierra Leone	
	1936	1937	1936	1937	1936	1937	1936	1937
Piassava					5	10	33	43
Rubber			24	33	90	126		
Wood			105	130	110	201		
Ghee butter					19	11		
Hides and skins	2	2	7	13	762	876	2	5
Diamonds			585	648			725	1,070
Gold			3,047	3,911	244	185	256	269
Platinum							3	2
Iron ore							262	326
Manganese			613	1,025				
Tin					1,763	2,628		
Other ores			2	1	74	87		

* Not including specie or re-exports.

The limited range of commodities exported means that fluctuations in the production, exports, and prices of these commodities are direct and accurate gauges of the prosperity and purchasing strength of the colonies. Any manufacturer selling to the colonies need only maintain a month-by-month chart of the export movement of the crops alone to know how business as a whole is developing. It is possible to ignore the exports of minerals because, for trade purposes, the effect of mineral production is limited to the immediate neighbourhood of the mines and, while the income of the Government is somewhat dependent on the activity of the mines, the real prosperity of the inhabitants of each colony is affected relatively little by the movement of minerals.

THE TRADING COMPANIES

British West Africa still carries on the tradition of the Colonial Empire. Business is organized along similar lines to the organization of trade in Canada, India, and elsewhere during the seventeenth and eighteenth centuries: the trading company is the foundation.

The leading trading companies have their head offices in the United Kingdom or on the Continent and maintain systems of trading posts in various parts of West Africa, French as well as British. British, French, German, and Swiss trading companies are important factors in the import and export trade of each colony. There are also a number of Indian trading companies dealing mainly in textiles and Far Eastern material, as well as an Italian company which operates only in Nigeria.

Each colony or district of a colony is controlled by a general manager and comprises a series of trading posts of varying concentration. Each post, depending on its importance, is in charge of a European with or without the assistance of European sub-managers, accountants, and departmental heads, and employing a staff of African bookkeepers, sales clerks, and labourers. The remotest posts, as also the smaller posts in some centres, are often entirely in charge of Africans who may sometimes be actually operating as quasi-independent traders provided with stock on credit.

Each post constitutes a centre for the purchase of local exportable produce as well as the sale of imported goods. Because of this and because of innumerable provincial and parochial fashions, fancies, and fads, each post manager indents to his regional manager or direct to his head office for his requirements of imported goods.

EFFECT ON SALES PROMOTION

It is well to note that, because of this arrangement, there is frequently evident need for keeping in close touch with the managers at all important centres if one plans to establish adequately some unknown product or brand and if one wishes to press sales.

Herein lies the great value of an agent. Much business is done through contact with head or buying offices of the trading companies for they dictate buying policy, and without their interest and co-operation it is impossible to have sales approved and payment arranged. But, likewise, it is very difficult to make actual sales and further orders possible without arousing the interest of, and clearing the way through the co-operation of, the managers of the posts in the colonies, who, in the last analysis, are the men who do the actual selling.

CREDIT IN LOCAL SALES

While having no direct bearing on the operations of the exporter to West Africa, it may be of interest to note the ample use made of credit in the colonies. Each trading company through each post grants credits in varying degree to many of its customers. The farmer is given some months' credit on the strength of his expected crop, the Government clerk on his monthly salary, the petty trader until the resale of the goods taken. From time to time the trading companies compete in their extension of credit; then, with losses, restrict. But they must always carry on to keep up with the demands of their customers and the facilities offered by their competitors.

THE SYRIAN TRADERS

In each colony there is a proportion of Syrian traders who have built up their position and their strength through the credit facilities made available by the practices of the country. The Syrians worked through the trading companies at first and still do in varying degree. The Syrian is a shrewd trader, operating on a narrow margin and, when necessary, in reduced circumstances, whether in the towns or outlying villages. With stock on credit from the companies he can retail to the Africans and return with produce to sell in repayment of his credit.

Many Syrians built up their commercial strength in this way until they were in a position to open shops and trading posts of their own. Frequently continuing to buy through the large companies, they nevertheless soon entered into competition with the companies and in some cases began importing direct. By this means and by cutting prices they became rivals rather than adjuncts and many a price war has flared up between the two.

The Syrians as a whole have confined their business to the purchase, as brokers and sometimes exporters, of local produce, and to the wholesale and retail distribution and sometimes importation of textiles both of standard lines and job-lots. In these fields the Syrians have made for themselves a recognized and established place. Occasionally a Syrian has expanded from this large though specialized field and has engaged with success in other fields, such as automobile accessories and foodstuffs. This is particularly true in the Gold Coast. In each case the number of successes is limited and the position of the Syrian is often precariously held between the states of neutrality and severe price-war with the trading companies, who ignore a certain amount of price-cutting, but act vigorously when their position is rendered awkward or dangerous.

CREDIT POSITION OF THE SYRIANS

A number of the Syrians are honourable traders and may be counted on to take up their obligations. Unfortunately for the reputation of the group as a whole, there are some with lax business morality and others who, through over-optimism, enter upon engagements, possibly with every intention of fulfilling them, but who, encountering business recession, leave their principal in the lurch and his goods under the auctioneer's hammer.

THE AFRICAN TRADER

There is a limited number of Africans engaged in import trade but very few of them have sufficient capital or experience to warrant their unqualified support by the overseas exporter. In addition the size of the business they have to offer is usually so limited as not to make it worth the risk involved. This is the class who write asking for excessive quantities of free samples and long terms of credit, neither of which should be granted.

The African traders, particularly the women, have maintained an important place, however, in the retail trade of the entire country. These petty traders are the true retailers in much of the trade. The trading companies and the Syrians do a large volume of retail trade but they are also petty wholesalers of a case of this and a bale of that to women traders who retail the can or fish or cigarette or whatever the unit may be which the customer of very small means can afford.

The petty trader is not in direct touch with the overseas exporter but it is the demands and requirements of the petty trader and her customer which dictate the types, sizes, packing and other details of the goods imported. It is to these people that the Canadian exporter must cater, even though he never deals with them.

GRANTING OF CREDITS BY THE EXPORTER

From what has been said it will be clear that only to established trading companies may and should the Canadian exporter grant credit liberally and on the terms desired by the importer. To all others credit must not be given until after thorough investigation through the usual channels. The pitiable instances of goods shipped without even documenting through a bank should never be repeated. Even when the documents are handled by a bank or through other reliable channels the exporter should demand with the order sufficient cash to cover at least freight both ways to defray the cost of returning the goods should this become necessary.

This warning applies to dealings with all except the companies of good repute. Any departure from the rule means entering the realm of speculation with all the attendant chances of loss.

GOVERNMENT PURCHASES

All purchases by the Colonial Governments, including any of the departments such as public works, railways, health, etc., are made through the Crown Agents for the Colonies, 4 Millbank, London, S.W. 1. The usual procedure is for the Colonial Government department concerned to forward indents to the Crown Agents who place them out to tender, unless the indent specifies a certain brand or make in which case that brand is usually purchased if competitive. The only exceptions to this routine are the few local purchases of which the aggregate is usually quite small, except in some cases for products such as gasoline.

Tenders are asked only from those firms registered with the Crown Agents and consequently any Canadian firms interested in selling to any Colonial Government must register in London.

Due to propinquity and relative ease of negotiation, the greater part of the business is placed by the Crown Agents with United Kingdom firms. It is advisable, therefore, for Canadian exporters to have resident agents in the United Kingdom who can keep in touch with the Crown Agents and be in a position to tender for any orders.¹ (Such agents would, of course, be able to assist with

¹ Government importations into the Gold Coast aggregated £566,530 in 1936; to Nigeria £472,162. Of these totals the railways purchased £289,010 and £169,422 respectively; the balance would be made up of medical supplies and equipment, construction materials, etc., etc.

Government business in any colony, e.g. the West Indies.) It is desirable in many cases to appoint agents travelling in West Africa so that they may interest officials of Government departments in trying the Canadian product concerned.

SALES TO THE MINING COMPANIES

Mining is progressing very satisfactorily in the British West African Colonies. The Gold Coast exports gold, manganese and diamonds; Nigeria exports tin and gold and also some quantities of coal to the Gold Coast; and Sierra Leone exports diamonds, iron ore and gold; other ores of less importance are also produced. (Statistics of these exports, other than for coal, will be found in the table above.) The gold is both mined and washed from alluvial deposits.

With few exceptions the mineral production is controlled by important interests in the United Kingdom. All purchases are therefore usually controlled by the head offices in London and in fact, in many cases, are actually controlled by the consulting engineers in London. Nevertheless the opinions of the managers and other engineers in West Africa are of value and importance in making any purchases of consequence.

It is essential, therefore, that any Canadian company desirous of selling equipment or materials to the mining companies in West Africa should maintain active contact with the company offices, mainly in London, and the managers in West Africa. Sales may be made through the head offices alone, but it is essential to keep in touch with the situation in West Africa.

Canadian manufacturers interested in this trade are strongly recommended therefore to obtain the services of an experienced travelling agent, especially one familiar with mining engineering. The agent would visit the mining areas regularly, ascertain their requirements, assist in the sales and in the use of the equipment he handles, and generally keep his principals in close touch with the position. At the same time he should be able to maintain active contact with the head offices of the mining companies.

NOTE.—The foregoing article is the first of four instalments of Mr. Brown's report on the British West African market. The second instalment will appear in the next issue of the *Commercial Intelligence Journal*, and the third and fourth instalments in the two succeeding issues.

TRINIDAD'S FIVE-YEAR PLAN

M. B. PALMER, CANADIAN TRADE COMMISSIONER

Port of Spain, November 28, 1938.—Trinidad also has adopted a five-year plan. On November 25 the Legislature unanimously approved the Governor's proposals for the expenditure of \$14,000,000 in a comprehensive plan of development extending over the period 1939-44. The healthy condition of the colony's finances, together with the advisability of attacking conditions with a long term program, are the principles guiding the proposals. The resolution provides for the allocation of \$3,082,733 from surplus balances, and allows the Government to raise a loan of \$10,922,500.

Of major importance is the sum of \$4,800,000 set aside for the construction of suitable accommodation for the working classes throughout the colony. The acquisition of land, road construction, and the building of approximately 6,000 to 6,500 houses will be placed under the supervision of a housing commission yet to be constituted.

Eight projects for the construction or improvement of road communications in Tobago and Trinidad comprise the next important outlay, amounting to \$3,057,500. Thereafter, the scheme provides for the spending of \$2,501,878 for hospital and medical buildings and improvements; \$1,270,000 for the con-

struction of an aerodrome; \$875,000 for extensions of electrical supply services; \$600,000 for additional water supply schemes which in all will meet the needs of 80 per cent of the population; \$329,252 for new schools, enlargements of present schools and teachers' quarters; \$320,000 for a slipway at Port of Spain; \$240,000 for the provision of quarters for public officers, especially in country districts; and, lastly, \$200,000 for a railway extension in the oilfields. In addition, a sum of \$250,000 is recommended for irrigation and drainage schemes, and another of \$250,000 for anti-malarial and sanitation work as soon as detailed proposals can be submitted for the Government's consideration.

Provision is made that any sum not required in respect of any item may be transferred for the purpose of any other item, which creates an elasticity tending to assure the expenditure of the totals involved.

Of the above-noted projects, probably the most important from the Canadian point of view is that in connection with workmen's houses. It is anticipated that this building program will greatly increase the use of Canadian building materials, especially lumber and allied items such as doors, window frames and shingles. A model cottage, built to tropical specifications and of a size and cost considered suitable by the Government, is being erected for the inspection and approval of the housing commission. (See also report on "Housing Developments in Trinidad," immediately following.)

REVENUE AND EXPENDITURE ESTIMATES

The revised estimates of revenue and expenditure of the colony for 1938 show a revenue of \$13,166,369 and an expenditure of \$12,635,887, leaving a surplus of \$530,482 for the year. The accumulated surplus at December 31, 1937, amounted to \$7,874,168, so that the estimated surplus at the end of the present year will be \$8,401,650. Draft estimates for 1939 have been prepared, showing revenue at \$12,882,274 and expenditure at \$12,492,118, or a further excess of revenue of \$390,156. The total estimated surplus at December 31, 1939, therefore, will amount to \$8,794,806; but provision has been made for a special reserve of \$5,000,000, which will leave an estimated surplus of \$3,794,806 at that time.

The principal estimated increases in revenue for 1939, as compared with 1938 fall under the following headings:—customs and excise, \$434,800; tax on incomes, \$400,000; land sales and royalties, \$237,900. The main items of estimated increased expenditure are: railway, \$297,024; public works extraordinary, \$275,190; social services, \$223,794; health, \$131,852; education, \$93,311, and land settlement, \$70,000.

HOUSING DEVELOPMENTS IN TRINIDAD

G. A. NEWMAN, ASSISTANT TRADE COMMISSIONER

Port of Spain, November 29, 1938.—The construction of new dwellings and the renovation of old properties has become one of the outstanding activities in Trinidad this year. The number of building permits issued for Port of Spain and suburbs for the first six months of 1938 was almost equal to the total for 1937 and comprised the following: new buildings, 354 (315 in 1937); additions, 210 (285); alterations, 302 (271), approximately 50 per cent of the permits being issued for domestic dwellings of less than \$1,200 in value. In districts outside of Port of Spain, 1,500 building permits were issued in 1937 as compared to 1,291 in 1936.

In Port of Spain, aside from the renovation of a number of public buildings and the recent completion of the new Treasury Building at a cost of

approximately \$680,000, building activity has centred in the construction of domestic dwellings at values ranging from approximately \$750 up to \$25,000. A considerable number of better-class houses have been built during the past few months, but with the inauguration of the Trinidad Government's rehousing scheme in the near future, the trend is likely to be towards the building of working class cottages of from \$500 to \$800 in value.

The strong condemnation of Trinidad housing conditions issued by the commission appointed to investigate Trinidad's labour disturbances in 1937 has focussed attention on the need for more adequate housing on the local sugar estates and oil fields, and in the slum areas of Port of Spain and other urban centres. Both the sugar estates and the oil companies had taken tentative steps to rectify these conditions, but the cottages built to date have been largely of an experimental type.

GOVERNMENT HOUSING PLANS

According to the estimates laid before the Legislature this year, \$4,800,000 is to be devoted to the acquiring of land and the building of from 6,000 to 6,500 cottages during the next five years (1939-44).

As far as can be ascertained, these cottages will each consist of two or three rooms with kitchen, bath and lavatory, and are to cost about \$500 per dwelling. The work will be allotted by tenders submitted to the Trinidad Public Works Department. Firms submitting bids on any particular type of cottage are permitted to erect a model cottage for inspection and approval before February.

An indication of the type of cottage which is likely to be acceptable may be obtained by reference to the following summary of local regulations governing the building of dwellings and to the appended notes on the materials commonly used in building low-priced cottages in Port of Spain.

BUILDING REGULATIONS

According to Port of Spain ordinances, every room of a new building must have a clear superficial area of not less than 100 square feet and shall not be less in length or width than eight feet, nor shall any room which is not an attic be less than eight feet from the floor to the wall plate; provided that when the height of the wall is less than nine feet, the roof shall be either close-boarded or ceiled, and that, if ceiled, the height of the room from the floor to the ceiling under the collar beam shall be not less than nine feet. Ventilation requirements stipulate that each room must have at least one window opening directly into the external air, and the total window area, clear of sash frames, shall be equal to at least one-tenth of the floor area of the room, and every window shall be constructed so that at least one-half may be opened and so that the opening in every case shall extend to the top of the window. In addition, it is required that jalousies or lattice work provide a further opening to the air, the aggregate area of such apertures to be not less than one-twentieth of the floor area of each room. Floors must not be less than 2 feet 6 inches from the ground.

These regulations have more or less standardized the spacing of low-priced cottages. They usually consist of two or three rooms measuring 10 feet by 10 feet or 12 feet by 10 feet, with a small back and front gallery 10 feet by 6 feet, part of which may be enclosed.

MATERIALS USED

The materials in use are as cheap as can be obtained, and may be summarized as follows:—

Walls.—Hollow tile, concrete nogging, or wooden frame. Hollow tile is manufactured locally and is used frequently on the better grades of low-priced cottages, while plain concrete between wooden uprights, painted with distemper, is used in the cheapest cottages. Wooden frame cottages are to be found on elevated lands and in country districts, and tapia

cottages (made of mud and native wood) are common near streams and in low-lying country districts.

Uprights, Supports, and Joists.—Pitch pine or Douglas fir 2 ins. by 2 ins. up to 6 ins. by 6 ins. Prices to builders: pitch pine, first grade, \$80 per M; Douglas fir, first grade, \$60 per M.

Flooring.—Mostly pitch pine, with some Douglas fir, the common sizes being 1 in. by 6 ins. and 1 in. by 8 ins., sometimes larger. Price to builders: first grade, pitch pine, \$90 per M; Douglas fir, \$60 per M.

Roofing.—Corrugated galvanized iron, 8-3 in. corrugations, 26 gauge, lengths 4 to 10 feet. Average price to builders, 12½ cents per lineal foot.

Doors.—No standard size but commonly 3 ft. 6 ins. by 7 ft., moulded one side in one or two leaves, manufactured locally from white pine, pitch pine, or Douglas fir at a cost of \$6 up to \$8.40, 40 cents per square foot being the usual price.

Window Frames.—No standard size but made to fit individual requirements of cottages. Frames without glass made from white pine, Douglas fir, or cedar; cost about 28 cents per square foot.

Jalousies.—Made from pitch pine or white pine costing, when complete, about 45 cents per square foot.

Ceiling.—Western red cedar or wallboard. Western red cedar costs retail \$60 per M.

Other Building Materials.—Cement, \$3.20 to \$3.30 per drum; hollow tiles of local manufacture, 6 ins. by 6 ins. by 12 ins., \$60 to \$70 per M ex factory. These retail prices would be subject to a discount of about 2 per cent to builders.

IMPORTS

The effect of intensified building operations is reflected in the following figures of Trinidad imports of lumber and timber from Canada and the United States. It will be noted that imports of Western cedar and white pine for the first nine months of 1938 greatly exceeded those of previous years:—

Trinidad Lumber and Timber Imports

From Canada—	Jan.-Sept., 1938	1937	1936	1935
Cedar—				
Dressed	\$ 42,891	\$ 38,312	\$ 29,864	\$ 18,666
Undressed	2,406	2,120	404	827
Douglas fir—				
Dressed	49,461	65,016	36,335	27,889
Undressed	110,437	176,796	86,720	60,148
Other sorts—				
White pine	43,309	31,444	29,108	24,451
Shingles	3,249	2,721	.....	.....
From the United States—				
Pitch Pine—				
Dressed	183,204	240,896	159,101	161,952
Undressed	175,099	256,781	176,857	143,098

PROSPECTS FOR CANADIAN BUILDING MATERIALS

With respect to sales of Canadian building materials, there will likely be an increased demand for white pine and Western red cedar. The resistance of the latter to fungus and termite attack is becoming more appreciated, and it is being used in increasingly large quantities for interior and exterior finish. Canadian Douglas fir, although cheaper than pitch pine, is not regarded as being as fully resistant to termite attacks, with the result that pitch pine remains well established in the local market. Canadian factory-made doors and window frames are being imported at prices which compare very favourably with those of similar products of local manufacture, and there is reason to believe that the trade will steadily increase.

Although anti-fire regulations do not permit the use of wooden shingles in the central business section of Port of Spain, red cedar shingles are being tried out in outlying areas of the city and in southern Trinidad. It is possible, from initial tests made to date, that cedar shingles may be gradually substituted for

galvanized corrugated iron roofing, as there does not appear to be much difference in the cost per square of finished roof, while the insurance rate at present is about \$1.42 per \$1,000 more for shingles than for galvanized roofing.

DISTRIBUTION

Building materials are purchased direct from shippers or through commission agents by about six large lumber and hardware wholesale merchants who control the trade. Retail prices are fixed by agreement. These firms also operate their own building departments, which, in conjunction with credits given to local contractors, enable them to maintain close supervision of building developments.

Public Works requirements are supplied by each firm in turn for a period of a year. The names of these firms, together with those of a few leading commission houses, are available to interested Canadian firms on application to the Department of Trade and Commerce, Ottawa.

TERMS FOR LUMBER IMPORTERS IN TRINIDAD

The usual terms are sight draft for freight, 60 days net, or sight draft less 2 per cent for full payment, documents on acceptance. Agents' commission is \$1 per 1,000 feet. Quotations are always c.i.f. Trinidad.

SCOTTISH BUILDING CENTRE

G. B. JOHNSON, CANADIAN TRADE COMMISSIONER

Glasgow, November 18, 1938.—The Scottish Building Centre in Glasgow was opened by Mr. H. J. Scrimgeour Wedderburn, Under-Secretary of State for Scotland, on October 20. It has an excellent location in Sauchiehall Street close to Charing Cross, and already the response of the public and of architects and builders has been decidedly encouraging to the promoters of the enterprise, the Scottish Development Council—who, among numerous other activities, promoted the successful Empire Exhibition at Glasgow.

The Scottish Building Centre has been set up on lines similar to those so successfully adopted by the Bond Street Centre in London. The object of the Centre is to provide facilities in one building for the display and inspection by architects, naval architects, surveyors, builders, shipbuilders, their clients and the general public, of all objects and materials used in connection with the erection and equipment of public and private buildings and structures, and to give technical advice on building problems. The Centre in Glasgow will be the Centre for Scotland in the same way as the Building Centre in London is the Centre for England.

ADVANTAGES AFFORDED BY THE CENTRE

Difficulty is frequently experienced by the manufacturer in bringing his goods to the notice of the architect, the naval architect, the surveyor, the builder, the contractor, and the public; while the latter, owing to lack of time and opportunity, find it impossible to inspect the goods of every manufacturer and to keep in touch with all the latest inventions and all new materials placed on the market. By a visit to the Centre the professional man, possibly accompanied by his client, will be able to select practically everything he requires for a construction job, no matter of what type it may be. He will be able to see the very latest materials available, some of which might not otherwise come to his notice.

The need for such a centre in Scotland has been emphasized by architects, naval architects, surveyors, and others for a long time, and the Royal Incorpor-

poration of Architects in Scotland and the Chartered Surveyors' Institution have promised every possible support.

Admission to the Centre will be free. It will be made attractive to the public, who will be encouraged to visit it regularly and thus be kept in touch with the improvements continually being made in household fittings, lighting, heating and cooking systems, sanitary ware, decorative materials, and so on.

In view of the great importance of the shipbuilding industry on the Clyde, and of the wide variety of fittings required for a modern ship, the Centre's board has decided to encourage the installation of exhibits calculated to be of assistance to Scottish shipbuilders.

RANGE OF EXHIBITS

The exhibits in the Centre will comprise materials from all over the world, but preference will in all cases be given to producers and manufacturers within the British Empire.

At the outset it is intended that manufacturers of the following will be eligible to reserve space: bricks and tiles, stone and artificial stone, timber, flooring and panelling, gas, electric heating and cooking equipment, electric lighting, electric cleaning, electric washing, cable makers, kitchen fittings and equipment, laundry equipment, bathroom equipment, dish-washing equipment, coal and other fireplaces, boilers and heating equipment, marine and ship fittings, glass, ventilating equipment, sanitary equipment, floor and wall covering materials, paint, ironmongery, door furniture and metal work, fire and burglary protection, window frames, roof glazing, plumbing and plumber's brass foundry work, slates, cement, insulating and sound-proof materials, plastics, oil cooking and other equipment, asbestos and plaster board, plywood and beaver board, bronze and iron work, stainless steel, refrigerators, mantelpieces, clocks, mirrors, school equipment, hospital equipment, office partitions, lettering and craftsmanship, building materials generally.

Unless otherwise arranged, exhibitors must lease space for not less than twelve months. At the expiration of twelve months from date of signing, leases may be terminated at any time by giving six months' notice in writing to the secretary.

CLASSES OF EXHIBITS

There will be three classes of exhibits. In Class I, displayed exhibits, space may be obtained at the rate of 30s. per annum per foot super (floor, wall, or ceiling). The maximum space which can be allotted to any one exhibitor for each type of exhibit in this class is approximately 150 super feet and the maximum charge £250 per annum. Class II will be confined to small exhibits, the minimum charge for space in this class being £10 per annum. Class III is for nominal exhibitors, that is to say, for firms which, by the nature of their activities or for other reasons, are unable to exhibit actual articles. Such firms will be given an opportunity of depositing standard sized information sheets appertaining to their products, which will be dealt with as exhibits for the purpose of giving information to inquirers. The charge to firms in this class will be £3 per annum for each type of information sheet. Exhibitors in the other two classes will be entitled to have one class of sheet and copies distributed free of charge. Exhibitors filing an information sheet will also have the right to supply the Centre with copies thereof for distribution to visitors. For convenience in filing and distribution, all information sheets must conform to a standard size, viz., 11 inches by 8½ inches.

GENERAL FACILITIES

The Centre will maintain an adequate technical staff whose duty it will be to furnish technical information to inquirers. No member of the technical staff

will be permitted to recommend any particular article or manufacturer to any inquirer.

Under no circumstances may sales transactions be undertaken within the premises. The fundamental object of the Centre is to provide architects and others with disinterested information, and in the interests of manufacturers themselves this rule will be strictly maintained.

The Centre will maintain an adequate library of all periodical publications dealing with the erection and equipment of buildings.

CANADIAN PARTICIPATION

The Canadian Government Exhibition Commission have taken some space at the Centre on the second floor, which is reserved for timber, wood flooring, and paints. This space now contains temporary exhibits of Canadian timber supplied by the Timber Commissioners of Eastern Canada and British Columbia. Permanent exhibits will be installed when they are ready.

The attention of Canadian firms is directed to the opportunity for publicity and sales that the Scottish Building Centre affords. The cost of space is small for the publicity and services afforded. The office of the Canadian Trade Commissioner at Glasgow maintains close contact with the manager of the Centre, so that inquiries originating there can be dealt with promptly by this office if the means and information at the Centre itself suggest that course.

It should be pointed out, however, that the Centre, after a month's existence, has proved so popular with exhibitors that space will probably soon be difficult to get. It may be added that the Canadian Government Exhibition Commission would be ready to give every consideration to the question of co-operation with individual Canadian firms which are considering the advantages of a permanent exhibit of their products in Scotland. Letters on the subject should be addressed in the first instance to this office, as a centre for communication both to the Building Centre and to the Canadian Exhibition Commission in London.

GROWERS' RUBBER BANDS IN THE WEST OF ENGLAND

L. H. AUSMAN, ASSISTANT TRADE COMMISSIONER

Bristol, November 15, 1938.—Considerable quantities of rubber bands are used by horticulturalists in the West of England for placing round plants and flowers. The usual sizes range from 6's to 34's, these being the standard numbers by which rubber bands are generally known. The principal sources of supply are English manufacturers, although it is understood that some Canadian bands are being offered. Imports are not extensive, and the United Kingdom trade returns do not list this classification separately.

DEMAND

Growers' bands are usually packed in 1-pound cardboard boxes and prices are in the neighbourhood of 2 shillings per pound delivered. One firm of rubber merchants in Bristol would be interested in Canadian offers of the best pure grey bands for growers' use, in 5-cwt. lots, on a c.i.f. basis. This firm could dispose of a ton or more a year if the price and quality were satisfactory.

OTHER USES

There are several other uses for these types and sizes of bands. Some sausage manufacturers fix their labels to packages with them. They are also

used in various ways to fasten parcels, and are occasionally sold by stationers where bulk quantities are required.

DUTY

Rubber bands imported into the United Kingdom from foreign sources are dutiable at the rate of 20 per cent ad valorem. This rate will be reduced to 15 per cent ad valorem on January 1, 1939. Provided they contain 50 per cent or more of Empire content, rubber bands are entitled to preferential treatment and are duty free.

WHEAT AND FLOUR TRADE REGULATIONS IN FRANCE

J. P. MANION, ASSISTANT COMMERCIAL ATTACHÉ

Paris, November 17, 1938.—A report on the above subject was published in *Commercial Intelligence Journal* No. 1812: October 22.

Some amendments to the law governing wheat and flour trade have just been published in the *Journal Officiel* of November 15. Only one of these amendments is of importance. It states that before February 1, 1939, the Central Council of the National Wheat Office will fix a global quota for the sale of wheat by producers, which will be approximately equal to the needs of France. This quota will be divided proportionately to former production among the various French departments (provinces), and the departmental authorities will divide this quota among producers proportionately to sales effected in previous years. After the quota for each producer has been established, the Central Council will decide as to taxes applicable against production in excess of that quota.

As has been pointed out in the previous report, there has been no effective regulation of production under the National Wheat Law up to the present time.

While this new amendment does not directly restrict production, it arrives at the same result by restricting to a "normal" amount the sales of the producers. On excess production the National Wheat Office will therefore have the right to reduce, by means of taxes, the amount paid to producers.

This is merely an enabling act permitting the Central Council to legislate in the proposed direction. The actual regulations coming under this act will probably not be formulated until some time early in 1939.

NORWEGIAN WHEAT PURCHASES

T. J. MONTY, ASSISTANT TRADE COMMISSIONER

Oslo, November 10, 1938.—During the past few years Norway has imported a large part of her wheat requirements from Canada. During the three years 1935 to 1937 imports from the Dominion amounted to 265,000 metric tons or more than 52 per cent of total imports of 509,000 tons in that period. This was an average of 88,500 tons per year over the three-year period.

All grain imports into Norway are purchased by the State Grain Monopoly and, due to recent European developments, seasonal purchases have been unusually large, October and November commitments amounting to about 100,000 metric tons. These recent large purchases have necessitated the provision of new and suitable storage space for this grain.

On October 18 the ss. *Stirlingvill* docked at Oslo with 9,000 tons of the highest quality Canadian wheat, one of the largest shipments of grain received by the Grain Monopoly.

SWEDISH FLOUR-MILLING REGULATIONS

With reference to the report in *Commercial Intelligence Journal* No. 1809 (October 1, 1938), page 609, Mr. Richard Grew, Canadian Trade Commissioner at Oslo, advises that in accordance with a Swedish Royal resolution of October 28, 1938, the percentages of Swedish wheat which must be mixed with the imported product during the milling period November 1 to December 31, 1938, will remain unchanged at 90 in the case of the total milling percentage and at 80 in the case of the so-called minimum percentage permitted for the individual lots milled.

UNITED STATES GRASS AND CLOVER SEED MARKET¹

R. G. C. SMITH, ASSISTANT TRADE COMMISSIONER

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New York, November 19, 1938.—The outlook for the 1938-39 season for imports of forage crop and grass seeds into the United States is not particularly encouraging. Last year the crop of red and alsike clover was below average in quantity and prices on these seeds and most other forage and grass seeds were abnormally high at the opening of the season. However, during the buying season of July, August, and September prices for corn and live stock were high and considerable optimism prevailed throughout the farming areas, with the result that seed houses bought freely in spite of these high prices.

This favourable position deteriorated rapidly as the business recession developed in intensity during the latter part of 1937 and farm prices dropped with surplus grain crops again in evidence, so that the spring seed business was considerably below expectations. In many cases seed houses were caught with surpluses bought at high prices and no outlets except at a considerable loss. It is natural, then, in the face of lower grain prices and consequent lack of optimism in the farming areas, that seed houses have been most reluctant to make purchases this year and prices have suffered accordingly. Further, there is a definite surplus of the heavy clovers and good crops of sweet clover, timothy, red top, and bluegrass seeds. Farmers have not been pressing sales at the low prices so far prevailing, so that the movement of seed into retailers' hands has been slower than normal.

The hay crop is one of the largest on record and indications point to a substantial carry-over to next year. Thus the inducement of lower prices for seed will be offset to some extent by low hay prices. On the other hand, the soil conservation program will create a certain demand for most forage crops and for other soil-building grasses.

IMPORTS FROM CANADA

The seeds normally imported from Canada into the United States in volume are alfalfa, red and alsike clover, and sweet clover (mostly white blossom). Other seeds of some importance with a more or less steady outlet are western rye grass, brome grass, crested wheat grass, and Canadian rye grass. These seeds, in addition to timothy and bent grass which are of potential interest, are each considered separately in the following paragraphs.

ALFALFA

The domestic production of 46,620,000 pounds of alfalfa seed this year is the **smallest since 1932**, and compares unfavourably with production last year

¹ The agricultural year used throughout this report is that beginning July 1, in each case.

of 56,634,000 pounds, of 53,268,000 pounds in 1936, and of 56,110,800 pounds for the 1931-35 average. The principal decline in production this year is in the Dakotas (8·3 per cent), parts of Minnesota (2·1), and in Kansas (11·3) and Nebraska (6 per cent), where grasshopper damage was severe. (The figures within parentheses following the states indicate that state's percentage of the average total production for the 1926-35 period.) Recent reports from Minnesota indicate that the final outturn of that state will be better than expected as a result of excellent weather throughout the late autumn. Other states, particularly those to the east of the Mississippi River, suffered from too much rain and a poor set of seed. In Utah (11·1) and Montana (10·3), however, the production is above that of last year. Because of wet weather in some of the northern states it is believed in some quarters that the crop forecast will turn out to be over-optimistic, although prices have not yet given any indication of such a trend.

PRICES AND DUTY

At the beginning of October prices offered to growers averaged \$16 per 100 pounds, compared with \$24.25 last year and \$12.65 for the 1932-36 average. The high initial price last year appears to have been over-optimistic. Although the movement of the seed was much more rapid last year, 60 per cent having been sold up to October 4, as against 25 per cent this year, the price dropped precipitously by \$1.60 in November. In fact there was a certain carry-over of domestic as well as Canadian seed, no doubt as a result of the demoralization of the market as the year progressed. Prices have not shown any trend during October, and the movement into consumption still appears to be slower than last year.

Farmers generally object to stained seed, which is compulsory for all imported alfalfa. Consequently, although seed houses recognize the equality, and frequently the superiority, of Canadian alfalfa, it must be offered at a discount of $1\frac{1}{2}$ to 2 cents per pound under the domestic. Registered seed takes from $1\frac{1}{2}$ to 2 cents above other quotations, and certified seed commands an additional premium of 1 or 2 cents. Wholesale prices to country distributors in less than carload lots are about \$26 per 100 pounds for northwestern Grimm alfalfa f.o.b. St. Louis, Missouri. Carload prices would be slightly under this figure.

From 1930 to 1935 the duty was 8 cents per pound. It was lowered under the 1935 trade agreement to 4 cents, at which it remains unchanged by the new trade agreement.

IMPORTS

Prior to 1930 imports of alfalfa seed were fairly substantial, averaging 2,491,771 pounds for 1925-29. This trade fell to negligible figures until 1936. During the year beginning July 1, 1936, imports reached 3,523,400 pounds (Canada 1,742,200 pounds, balance mostly Argentina), following a fairly good production in 1936, and in the succeeding year totalled 4,594,242 pounds (Canada 2,977,449 pounds), following a good average production in 1937.

In these circumstances it would seem that there should be no difficulty in disposing of whatever surplus exists in Canada this year. Against these facts, however, must be weighed the heavy clover seed production, both red and alsike, and the low prices quoted for these seeds. Alfalfa seed will only take a certain premium over the clovers, and this accounts for the comparatively low prices on alfalfa in spite of a reduced crop.

Despite an acknowledged short crop this year, there has been little movement of seed from Canada up to the present. Imports from July 1 to October 15 amounted to 125,400 pounds, all from Canada, which compares with 141,700 pounds for the period July 1 to September 30 last year. The movement of the domestic crop is also very much slower than usual. Up to October 4 about 25

per cent of the new crop had been sold by growers, compared with 60 per cent last year and 45 per cent for the 1932-36 average.

While these periods are admittedly too short to give any indication of the final trade, the foregoing figures emphasize the lack of any over-anxiety on behalf of buyers concerning the available supplies in the face of a relatively short crop. However, there is some interest in Canadian seed, particularly Grimm alfalfa, and provided shippers do not ask too high a premium over the clover seeds a good quantity should be imported before the end of the agricultural year. The fact that the principal loss is in northern seed is a factor favourable to imports of good quality Canadian alfalfa. Argentine seed does not directly compete with the Canadian, since it is used more particularly in the central and southern states.

RED AND ALSIKE CLOVER

The following table shows the domestic production in bushels and the imports in pounds of red and alsike clover for the period 1925-29 and the years 1931 to 1937, and the domestic production for 1938, the year in each case being the agricultural year beginning July 1:—

	Red Clover		Alsike Clover	
	Production Bushels	Imports Pounds	Production Bushels	Imports Pounds
1925-29	1,087,533	9,981,628	398,967	7,328,064
1931	807,000	100	342,500	.....
1932	1,094,733	.....	357,167	.....
1933	1,111,633	.....	362,667	.....
1934	748,000	400	302,500	700
1935	812,333	11,100	357,467	26,300
1936	703,433	13,879,300	468,967	3,138,700
1937	468,833	8,531,700	312,567	909,800
1938	844,000	.....	491,667	.....

PRICES AND DUTIES

Prices on red clover this fall have been the lowest since 1933. On September 13 prices paid to growers averaged \$11.10 per 100 pounds as compared with \$30 last year and \$14.50 for the 1932-36 average. Alsike prices have been similarly below normal, averaging \$10.10 per 100 pounds on September 27 as against \$26.40 last year and \$14.75 for the 1932-36 average.

Wholesale prices of red clover seed have shown no tendency to strengthen and on October 4 prices f.o.b. St. Louis, Missouri, in less than carload lots, were about \$16.50 per 100 pounds. Since then the price has weakened slightly. However, the alsike seed market has shown unexpected strength and it is believed the estimate of production may be considerably over-optimistic. Prices on October 14, f.o.b. St. Louis, were about \$14.50 per 100 pounds, but since then there has been an advance of about \$1.

The duty was 4 cents per pound on both clovers prior to June 17, 1930, when it was raised to 8 cents. Under the 1935 trade agreement the rate from January 1, 1936, was reduced to 5 cents for red clover and 4 cents for alsike clover. The new trade agreement makes the rate 4 cents for both.

IMPORTS

Prior to 1930 almost 100 per cent of the imports of alsike seed were from Canada, whereas the trade in red clover was mostly from Continental Europe, only 201,141 pounds being the Canadian share for the 1925-29 average. In 1936 Canada provided 2,496,000 pounds of alsike seed (the balance coming mostly from Latvia), but only 255,700 pounds in 1937, Czechoslovakia, Sweden, Poland, and Latvia dividing the remainder. In red clover Canada has been more

of a factor in recent than in earlier years, shipping 2,524,500 pounds in 1936 and 937,900 pounds in 1937.

The decline in imports for both alsike and red clover seed last agricultural year from the 1936 volume is difficult to understand, since production in both years was considerably below normal, especially in the case of red clover. The sudden increase in imports in 1936 seems to have been a direct result of the lower duty, and possibly imports were made on too optimistic a basis. Actually there was an estimated carry-over of 3,000,000 pounds of imported red clover into 1937, although the alsike carry-over was unusually small. In both cases the carry-over into this year is small, although some sources estimate 1,000,000 pounds of red clover may have been brought forward as a result of the high prices last year.

In view of the surplus production of both seeds this year and the low prices prevailing, it is difficult to see how imports of these seeds will reach important figures, although the recent strengthening of the alsike market may improve the position. However, with alsike approaching the price of red clover it is probable that farmers will use more of the latter, so that there should be little demand for imports of alsike.

Imports of red clover from July 1 to October 15 have reached 162,700 pounds (8,800 pounds from Canada), whereas imports of alsike are not reported separately. Imports up to September 30 last year were 188,000 pounds of red clover and 100,800 pounds of alsike.

Neither of these crops is on an export basis, so that there is little possibility of any surplus being reduced substantially by exports. The usual exports of red clover run between 100,000 and 500,000 pounds, although in 1933 and 1934 shipments reached 3,000,000 and 1,000,000 pounds respectively. No separate export figures are issued for alsike seed, but presumably they would be negligible.

TIMOTHY SEED

The production of timothy seed this year is estimated at 1,038,000 bushels (of 45 pounds) as against 2,349,700 bushels in 1937 and 1,889,540 bushels for the 1931-35 average. Timothy seed production has been most erratic in recent years, having been as low as 267,100 bushels in 1934 and as high as 4,246,800 bushels in 1935. As a result of the record 1935 crop and large 1937 crop the carry-over to this year is estimated to be at least 1,220,000 bushels, or about one year's complete supply.

PRICES AND DUTY

Prices to growers have averaged this year \$2.60 per 100 pounds as against \$2.50 for the same period of last year and \$6.20 for the 1932-36 average. The market declined during July to September, but strengthened slightly during the latter part of September and beginning of October. On October 14 wholesale timothy prices f.o.b. St. Louis, Missouri, in less than carload lots, were about \$3.90 per 100 pounds.

The duty on timothy seed was 2 cents per pound up to 1936, when it was reduced to 1 cent. It remains unchanged under the new trade agreement.

IMPORTS

Timothy seed has always been an export rather than an import crop. Except for the agricultural year 1934, when 4,731,800 pounds were imported following an unprecedented low production of 267,100 bushels in that year, imports have been consistently negligible. Imports for the agricultural year 1936 only reached 105,200 pounds. In 1937 they dropped to 3,800 pounds.

The excessive hay crops this year, including a higher production of timothy hay, with resultant low returns on hay and a probable heavy carry-over to next

year, will also act as a deterrent to any speedy absorption of even this year's crop of seed. Furthermore, with the decline in the number of horses in the United States, the use of timothy hay has been steadily falling off for some time.

Under these conditions, there will be no opening for imported seed this year, and it is doubtful if any demand will arise in the immediate future, unless there is a virtual crop failure in the United States.

Exports in recent years have run between 3,000,000 and 4,000,000 pounds. Thus the production and carry-over are more than enough to meet any export demand that could be expected to arise.

ECONOMIC CONDITIONS IN ECUADOR

S. G. MacDONALD, ACTING CANADIAN TRADE COMMISSIONER

Lima, Peru, November 9, 1938.—Conditions in Ecuador in 1937 were generally unsettled, due primarily to exchange difficulties and low prices for the principal export products. With a view to alleviating the situation the Government adopted certain measures, such as the abolition in July of exchange control and in December the reorganization of the Banco Central, with the object of maintaining the value of the sucre without being forced to effect exchange control.

Both imports and exports were higher in 1937 than in 1936, but the unfavourable balance of trade was less than in previous years when consideration is given to the exports of gold, minerals and petroleum, production of which is principally in the hands of foreign companies. Industrial activity within the republic was marked and both production and the number of employed were in excess of the previous year. At the turn of the year the low prices for cacao and coffee continued, which, in view of their being the principal Ecuadorean exports, augured badly for 1938.

IMPORT CONTROL MEASURES

During the first half of 1938 the depressed condition of the cacao and coffee markets continued, and following a heavy decline in exports with no corresponding decrease in imports, the economic situation continued to grow steadily worse until in May it was imperative for the Government to impose import control. Under the measures adopted the rapid fall in the value of the sucre was soon checked; within six weeks the demand for foreign exchange fell off greatly, while imports decreased in a large measure. In addition to the ordinary control of imports, the Government, first in June and later in August, passed legislation setting out the articles for which exchange might be obtained through the Banco Central in reasonable quantities and prior to the granting of exchange to importers of other products. By these measures certain commodities were designated necessities, and by these and other decrees those countries imports from which for the past two years have been subject to 50 per cent tariff surcharges were often penalized further, as Ecuadorean importers of many products from such countries, which include Great Britain and Canada, found it impossible to obtain import permits. Details of import control measures enacted in 1938 were published under the title "Exchange Conditions and Import Control in Ecuador" in *Commercial Intelligence Journal* No. 1810 (October 8, 1938), page 654.

FOREIGN TRADE IN 1937

The value of the foreign trade of Ecuador reached a total of 295,688,216 sucres in 1937, an increase of some 32 million sucres over the previous year. Imports advanced 14.1 million sucres to 131,642,818 sucres, while exports

increased in the same proportion to 164,045,398 sucres. The decrease in the export value of shipments of cacao in March was more than compensated by their volume, while the severe drop in the price of coffee in November came too late to affect seriously the crop value. The deliveries of cacao in Guayaquil totalled 21,100,556 kilos (of 2·2 pounds), some 3·6 million kilos or 20 per cent greater than in the previous year.

The net exports, that is to say gross exports less those of gold, petroleum and minerals, were considerably less than in the previous year, due to the reduction in the value of the products indicated, which totalled 51·9 million sucres in 1936 as compared with 40·7 million sucres in the following year. Consequently the unfavourable balance of trade, calculated on the basis of net exports, declined considerably from 23·3 million sucres in 1936 to 8·3 million sucres in 1937.

As indicated in the report entitled "Foreign Trade of Ecuador in 1937," published in *Commercial Intelligence Journal* No. 1805 (September 3, 1938), page 396, the four leading purchasers from Ecuador in 1937 were the United States, Germany, Great Britain, and Japan, while the United States, Germany, France, and Uruguay were the leading suppliers. In 1936 Czecho-Slovakia was third among leading supplying nations, but fell to eighth place in the following year. Among buying nations, Argentina, which was fourth in 1936, fell to tenth place in 1937. The United States in both years continued to take by far the most important share of Ecuadorean exports, and as a supplier was considerably more important than the second place country, Germany. The greater increase in purchases of United States products than in those from Germany was due to the abolition of import control during the second half of the year and to the fact that purchases from Germany had to be curtailed in consequence of reduced quantities of aski marks being available in Ecuador following decreased sales to that country. Gains in export made by the United States were largely at the expense of Japan, whose products, during the period from June until September, were subject to a tariff surcharge of 50 per cent. With the abolition of this surcharge, Japan's trade with Ecuador increased.

FOREIGN TRADE, JANUARY TO JUNE, 1938

The value of Ecuador's total foreign trade for the first half of 1938 is recorded as 164,087,682 sucres, of which imports accounted for 86,838,541 sucres and exports for 79,259,141 sucres. Purchases of Ecuadorean products by the United States fell to a low level, amounting to 27,980,825 sucres, including 11,592,700 sucres in gold bars exported out of the reserves of the Central Bank and 10,387,528 sucres worth of gold ore extracted by a United States Company operating in Ecuador, so that the purchases of cocoa and other typical Ecuadorean products amounted to but slightly over 6 million sucres. The value of imports from the United States during the same half year period totalled 29,088,583 sucres.

Trade between Japan and Ecuador during the same period was unfavourable to the latter, resulting in the 50 per cent tariff surcharge again being levied against Japan in the latter part of August. Although the value of imports from Great Britain exceeded the value of exports to that country by more than 3,000,000 sucres in the face of the tariff surcharge, this surplus was liquidated with sterling balances held by the British oil company operating in Ecuador. Generally, imports from Great Britain of a wide range of commodities showed a greater reduction than during the previous year. The same situation applied to Canada, whose exports to Ecuador have steadily fallen since June, 1936, when surcharges were levied against her goods. Ecuador's unfavourable trade balance, as shown by import and export statistics, amounted to over 7,500,000 sucres, while the deficit for the whole year is estimated at double that sum. In official quarters, however, it is estimated that when

the export figures have been adjusted, the trade balance against Ecuador in 1938 will approximate 76,841,218 sucres.

AGRICULTURAL CONDITIONS

Deliveries of cacao at Guayaquil from January 1 to July 15 of this year were 82,613 quintals (of 101·4 pounds) or about 27 per cent below those for the corresponding period in 1937. The coffee crop was unofficially reported as below that for 1937. The sugar and cotton crops are reported as good, although not thoroughly satisfactory. Crops in the "Sierra" region, especially of potatoes and wheat, were reported as exceeding those of 1937.

FINANCE

The budget for 1937 in its original form provided for 80,000,000 sucres, but during the year this was increased some 3,578,000 sucres. Income up to the end of November reached 77,207,131 sucres, including duties totalling 18,326,571 sucres. The budget for 1938 provided for income and expenditure of 120,500,000 sucres, or an increase of 50 per cent over that for the previous year. In July, 1938, the ordinary estimates were increased to 122,000,000 sucres. This was again increased in September to 132,754,000 sucres, and the new Government, which had taken office only in the previous month, was faced with a deficit of about 3,300,000 sucres, indicating the necessity for obtaining a loan from the Central Bank. Strong efforts to curtail expenditure are apparently being made in order to avoid a cash deficit at the end of the year.

EXCHANGE

The control of exchange and exports established in June, 1936, was abolished at the end of July, 1937, with the result that the exchange position of the sucre in terms of dollars for commercial transactions ranged from 10·50 to an average of 13·54 from August to December. With the object of preventing a further depreciation of the sucre, the banks restricted the general authorization of credit. However, under certain provisions of the law abolishing exchange control licences were still required for the importation of commodities which were not included among a list of determined necessities for which a special lower exchange rate was provided in computing the payment of duties which could be made in dollars. In 1938 the various measures adopted included import control, previously referred to. The effect of this control was soon apparent, and during recent months the Ecuadorean sucre has maintained a much more stable level than was the case in the first half of the year (between 14·50 sucres and 14·80 sucres to the United States dollar) when the unfavourable trade balance was so apparent.

GOLD RESERVES AND NOTE CIRCULATION

The average monthly gold reserve in the Banco Central during 1937 amounted to 51,289,977 sucres as compared with 39,067,320 in 1936, while the legal reserve average was 53,429,077 sucres in 1937 as compared with \$38,544,158 in the previous year. Circulation and deposits subject to reserve increased considerably from an average of 75,840,551 sucres in 1936 to 118,198,085 sucres in 1937. The average note circulation increased also during 1937 from 132,822,808 sucres at the beginning of the year to 149,827,577 at its termination.

NEW BANKING LAW

By virtue of a decree of December 30, 1937, a new banking law designed to reorganize the Banco Central on a more conservative basis was put into effect.

Its object is to control credit in the country through restriction of the extension of credit by the Banco Central to the associated institutions by limiting the credit of the Banco Central to the Government and through the use of flexible rates of rediscount and interest, the latter previously fixed at 6 per cent. The Banco Central is concerned chiefly with operations with associated institutions, transactions with the public being limited. When this law was decreed the Banking Law was amended to conform with the above features, and a new monetary law was passed to regulate the issuance of currency.

GENERAL CONDITIONS

During the first half of 1938 the general financial difficulties experienced in 1937, not only by the Government but also by business and industry generally, were accentuated. While the gold mining and petroleum industries have experienced a fairly satisfactory half-year, other local industries other than construction, despite favourable tariff legislation, have been in an unfavourable position due to restriction of domestic credit, low prices, and a rather inactive demand for Ecuador's export products. While the import control measures effected in May were an aid to local manufacturers, in other commercial circles their effect was negative and depressive. Business conducted with foreign exporters was as a rule closely scrutinized before sales were made, and letters of credit, or at least cash, were almost invariably demanded.

In general, the economic position of Ecuador throughout the first half of 1938 has materially worsened, and although the control of imports and restriction of credit, coupled with the new Government's efforts to bring about a balanced budget at the end of the year, have had a somewhat salutary effect on the adverse conditions through which the republic is passing, the outlook for the opening of 1939 is not promising.

TRANS-CANADA AIR MAIL SERVICE

Starting December 1 last, the Trans-Canada Air Mail Service now operates between Montreal and Vancouver via Ottawa, Toronto and North Bay, Winnipeg, Regina, and Lethbridge. The Air Mail Service had previously operated from October 1 between Winnipeg and Vancouver.

Postage on mail conveyed over the Trans-Canada Air Service is at the air letter rate of 6 cents for the first ounce and 5 cents for each additional ounce or fraction thereof.

TARIFF CHANGES AND CUSTOMS REGULATIONS

Australia

TARIFF AMENDMENTS

Mr. L. M. Cosgrave, Canadian Trade Commissioner in Sydney, Australia, cables the following changes in Australian duties included in a new tariff schedule made effective December 8:—

	Former Rates		New Rates	
	British Preferential	General	British Preferential	General
Clothes washing machines for household use, electrically or power driven each	....	£6	£3	£6
or, if higher, ad val.	12½%	53¾%	25%	53¾%
Vacuum cleaners for use in the household ad val.	Free	20%		
Bag types valued at £4 10s. or under, f.o.b. each	....	....	£1 10s.	£1 15s.
plus ad val.	....	....	....	20%
Manufactures of paper and manufactures of board not elsewhere included in the tariff ad val.	45%	65%	30%	57½%
Carpet sweepersad val.	10%	35%	25%	60%

As regards carpet sweepers, an intermediate rate of 35 per cent ad valorem formerly applicable to Canadian carpet sweepers has been increased to 50 per cent. Canadian goods under the other items above quoted are entitled to British preferential rates. The general tariff rates for all the items apply to all countries outside the British Empire.

The former British preferential rate of 45 per cent on the item of paper manufactures was subject to a currency adjustment reduction and it is not stated whether this reduction obtains as regards the new rate. The reduction was one-fourth off the rate or one-eighth off the value for duty, whichever would be the smaller reduction.

The cablegram states that in all there are 24 increases and 40 decreases in British preferential rates; 29 increases and 40 decreases in intermediate tariff rates; 37 increases and 23 decreases in general tariff rates.

TARIFF DECISIONS

Recent Australian tariff decisions, as to the classification and rates of duty on articles regarding which question had been raised, include the following:—

Dynamos, 24-volt and under, including spare parts thereof other than brushes, brush holders, brush springs, commutators, cut-outs, unwound armatures with commutators attached, wound armatures, and wound field coils, for use with tractors, motor vehicles, and cycles; also starting motors, 24-volt and under, including spare parts thereof other than brushes, brush holders, brush springs, commutators, unwound armatures with commutators attached, wound armatures, and wound field coils, for use with tractors and motor vehicles; free of duty under British preferential tariff, 15 per cent ad valorem under general tariff (by-laws under Item 174Y).

Airmen's safety belts, and airmen's safety harness, also passengers' safety belts (or lap straps), all conforming to Australian Civil Aviation Board requirements, subject to the condition that the importer makes a declaration on the face of the entry that the goods so entered will be used only in the manufacture or repair of aeroplanes or other aircraft, free of duty under British preferential tariff, 15 per cent ad valorem under general tariff (by-laws under Item 358B).

Side-delivery reapers, free of duty under British preferential tariff, 15 per cent ad valorem under general tariff (by-law under Item 174Y).

Steel spade blanks for use in the manufacture of spades excepting post hole spades of shovel shape, free of duty under British preferential tariff, 15 per cent ad valorem under general tariff (by-law under Item 404).

Canadian goods under the above items, having the required content of Canadian and/or Australian material and labour, and shipped in accordance with Australian regulations, are entitled to British preferential tariff rates. Goods from all countries outside the British Empire are subject to general tariff rates.

New Zealand

SHIP'S PAPERS DETERMINE LICENCE EXEMPTION

Referring to the notice appearing in *Commercial Intelligence Journal* No. 1819 (December 10, 1938), pages 1015-16, and with regard to exemption from New Zealand import licence of goods ordered prior to December 5 and shipped not later than December 31, and not in abnormal quantities, the Canadian

Trade Commissioner in Auckland has cabled that the date of shipment will be decided by the ship's papers, therefore the goods must be carried on ships which sail by December 31 in order to be entitled to the exemption provided.

British India

NEW DUTIES ON WHEAT AND WHEAT FLOUR

The Canadian Trade Commissioner at Calcutta cables that British India has imposed an import duty of $1\frac{1}{2}$ rupee per cwt. (43 cents per 112 pounds) on both wheat and wheat flour, with effect from December 7, subject to legislative confirmation. Wheat was formerly duty free under tariff item No. 10, "unspecified grains," and wheat flour at 25 per cent ad valorem under item No. 11, "unspecified flour."

Chile

TARIFF ON TRACTOR TIRES

Mr. S. G. MacDonald, Acting Canadian Government Trade Commissioner in Lima, Peru, reports that by a Chilean decree published October 29, 1938, the Chilean tariff on rubber tires for tractors and agricultural machinery was reduced from 1.50 gold pesos to 1 gold peso per kilogram (from $14\frac{1}{4}$ to $9\frac{1}{2}$ cents per pound at the current official rate of exchange). Only such tires which have rims of 24 inches (60 centimetres) bearing the marks "tractor" or "implement" and the pressure of which does not exceed 36 pounds per square inch (2.52 kilograms per square centimetre) fall within this new rate.

TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.

Commodity	No.	Location of Inquirer	Purchase or Agency.
Foodstuffs—			
Salmon (Smoked).....	602	Lisbon, Portugal.....	Agency.
Wheat Flour.....	603	Lisbon, Portugal.....	Agency.
Wheat Flour.....	604	Alexandria, Egypt.....	Agency.
Miscellaneous—			
Hosiery, Woollen.....	605	New York City, New York	Purchase and Agency.
Hosiery, Woollen (Men's).....	606	New York City, New York	Agency.
Gloves, Woollen.....	607	New York City, New York	Agency.
Bathing Suits (Ladies').....	608	Melbourne, Australia.....	Agency.
Paper for making Bags.....	609	Nicosia, Cyprus.....	Agency.
Wrapping Paper for Fruit.....	610	Nicosia, Cyprus.....	Agency.
Paper, M.G. Cap.....	611	Shanghai, China.....	Agency.
Papermill Felts.....	612	New York City, New York	Purchase.
Cubes of Wood (Maple).....	613	Birmingham, England.....	Purchase.

FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING DEC. 12, 1938

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, December 12, 1938, and for the week ending Monday, December 5, 1938, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending Dec. 5	Nominal Quotations in Montreal Week ending Dec. 12	Official Bank Rate
Austria	Schilling	.1407	. . . . .	. . . . .	—
Belgium	Belga	.1001	\$.1697	\$.1700	2½
Bulgaria	Lev	.0072	.0124	.0124	6
Czechoslovakia	Koruna	.0296	.0345	.0345	3
Denmark	Krone	.2680	.2112	.2100	4
Finland	Markka	.0252	.0209	.0207	4
France	Franc	.0392	.0266	.0265	2½
Germany	Reichsmark	.2382	.4041	.4043	4
Great Britain	Pound	4.8666	4.7325	4.7075	2
Greece	Drachma	.0130	.0087	.0086	6
Holland	Guilder	.4020	.5480	.5483	2
Hungary	Pengo	.1749	.2989	.2986	4
		Unofficial	.1980	.1984	—
Italy	Lira	.0526	.0530	.0530	4½
Yugoslavia	Dinar	.0176	.0230	.0229	5
Norway	Krone	.2680	.2377	.2364	3½
Poland	Zloty	.1122	.1897	.1903	4½
Portugal	Escudo	.0442	.0429	.0427	4-4½
Roumania	Leu	.0060	.0074	.0074	3½
Spain	Peseta	.1930	.0503	.0502	5
Sweden	Krona	.2680	.2438	.2423	2½
Switzerland	Franc	.1930	.2282	.2281	1½
United States	Dollar	1.0000	1.0081	1.0087	1
Mexico	Peso	.4985	.2014	.2016	3
Cuba	Peso	1.0000	1.0074	1.0080	—
Guadeloupe	Franc	.0392	.0266	.0265	—
Jamaica	Pound	4.8666	4.7425	4.7150	—
Martinique	Franc	.0392	.0266	.0265	—
Other British West Indies	Dollar	1.0138	.9859	.9801	—
Argentina	Peso (Paper)	.4245	.3155	.3137	3½
		Unofficial	.2299	.2290	—
Brazil	Milreis (Paper)	.1196	.0591	.0592	—
British Guiana	Dollar	1.0138	.9859	.9801	—
Chile	Peso	.1217	.0522	.0523	4½
		Unofficial	.0403	.0404	—
Colombia	Peso	.9733	.5744	.5748	4
Peru	Sol	.2800	.2016	.2018	6
Venezuela	Bolivar	.1930	.3125	.3127	—
Uruguay	Peso	1.0342	.6225	.6196	—
South Africa	Pound	4.8666	4.7262	4.6987	3½
Egypt	Pound (100 Piastres)	4.9431	4.8491	4.8218	—
China (Shanghai)	Dollar	. . . . .	.1612	.1601	—
Hongkong	Dollar	. . . . .	.2953	.2939	—
India	Rupee	.3650	.3531	.3512	3
Japan	Yen	.4985	.2756	.2742	3.29
Java	Guilder	.4020	.5482	.5484	—
Siam	Baht (Tical)	.4424	.4335	.4307	—
Straits Settlements	Dollar	.5678	.5500	.5472	—
Australia	Pound	4.8666	3.7850	3.7636	3
New Zealand	Pound	4.8666	3.8010	3.7789	4

The Dominion Bureau of Statistics has supplied the following note:—

Leading continental European currencies declined in terms of the Canadian dollar during the week ended December 12. From an opening bid of \$4.7294 on December 6, the British pound moved irregularly lower to \$4.7046 on the last day of the week under review. French francs were also under moderate pressure, and on December 7 it was necessary for the French control to support the franc for the first time since repatriation commenced. The independent currencies were all firmer, with Belgian belgas showing the sharpest rise from 16.95 cents on the 6th to 17 cents on December 12. Moving conversely to sterling, bar gold at London touched a high for the week of 149s. on December 9. United States funds increased their premium from $\frac{25}{32}$ to $\frac{1}{4}$ of 1 per cent between December 6 and 12. Recently published statistics stated that gold imports into the United States totalled \$66,322,240 for the week ended December 2 and were the largest since the last week of October.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Saint John

To Liverpool.—Montrose, Dec. 23; Montclare, Dec. 30; Duchess of York, Jan. 6; Duchess of Atholl, Jan. 13; Duchess of Bedford, Jan. 20—all Canadian Pacific.

To London.—Beaverdale, Dec. 22; Beaverford, Dec. 29; Beaverburn, Jan. 5; Beaverbrae, Jan. 12; Beaverhill, Jan. 19—all Canadian Pacific.

To Manchester.—Manchester Regiment, Dec. 22; Manchester Port, Dec. 29; Manchester Commerce, Jan. 5; Manchester Progress, Jan. 12; Manchester Citizen, Jan. 19; Manchester City, Jan. 26; Manchester Division, Feb. 2—all Manchester Line.

To Avonmouth, Cardiff and Swansea.—Dorelian, Dec. 31; Dakotian, Feb. 2—both Cunard-Donaldson and Dominion Lines.

To Glasgow.—Sulairia, Dec. 21; Delilian, Jan. 7; Norwegian, Jan. 21—all Donaldson-Atlantic Line.

To Newcastle and Leith.—Cairnross, Dec. 27; Cairnvalona, Jan. 3; Cairnglen (calls at Dundee), Jan. 10; Cairnesk, Jan. 24; Cairnmona, Jan. 31—all Cairn-Thomson Line.

To Dublin and Belfast.—Torr Head, Dec. 18; Melmore Head, Jan. 10—both Head Line (cargo accepted for Cork and Londonderry).

To Hamburg.—Beaverford, Dec. 29; Beaverdale, Jan. 26—both Canadian Pacific.

To Antwerp.—Beaverdale, Dec. 22; Beaverhill, Jan. 19—both Canadian Pacific; Hada County (also calls at Havre), County Line, Dec. 27.

To Marseilles, Genoa, Leghorn, Naples, Messina, Palermo, Gibraltar and Lisbon.—Capo Lena, Dec. 31; Capo Olmo, Jan. 18—both Capo Line (will also call at Cadiz and/or Seville and/or Casablanca if sufficient cargo offers).

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Drake, Dec. 21; Lady Nelson, Jan. 4; Lady Hawkins, Jan. 18—all Canadian National; a steamer, Ocean Dominion SS. Corp., Dec. 23, Jan. 6 and 20 (does not call at Nevis or Montserrat).

To Kingston and Jamaican Outports.—San Jose, Dec. 31; Metapan, Jan. 14; Esparta, Jan. 28—all United Fruit Co.

To Brisbane, Sydney, Melbourne and Adelaide.—Kaikoura, Dec. 30; Port Nicholson, Jan. 30—both Montreal Australia New Zealand Line (will also call at Geelong).

To Auckland, Wellington, Lyttelton and Dunedin.—City of Glasgow (also calls at Timaru and Bluff), Dec. 21; Kaimata, Jan. 7—both Montreal Australia New Zealand Line.

To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Madras, Rangoon, Calcutta and Singapore.—City of Wellington, Dec. 27; City of Mobile, Jan. 14; a steamer, Jan. 29—all Canada-India Service.

To Cape Town, Port Elizabeth, East London and Durban.—Mattawin (also calls at Free-town, Lourenco Marques and Beira), Elder Dempster Lines Ltd., Dec. 27.

From Halifax

To Liverpool.—Montrose, Dec. 24; Montclare, Dec. 31; Duchess of York, Jan. 7; Duchess of Atholl, Jan. 14; Duchess of Bedford, Jan. 21—all Canadian Pacific; Nova Scotia, Dec. 24; Newfoundland, Jan. 24—both Furness Line; Manchester Brigade, Dec. 29; Manchester Exporter, Jan. 14—both Manchester Line.

To London.—Beaverdale, Dec. 23; Beaverford, Dec. 30; Beaverburn, Jan. 6; Beaverbrae, Jan. 13; Beaverhill, Jan. 20—all Canadian Pacific; Ausonia, Dec. 23 and Jan. 21; Alaunia, Dec. 31; Ascania, Jan. 14—all Cunard-White Star Line.

To Manchester.—Manchester Regiment, Dec. 24; Manchester Port, Dec. 31; Manchester Commerce, Jan. 7; Manchester Progress, Jan. 14; Manchester Citizen, Jan. 21; Manchester City, Jan. 28—all Manchester Line.

To Newcastle and Leith.—Cairnesk (also calls at Dundee), Dec. 19; Cairnross, Dec. 29; Cairnvalona, Jan. 5; Cairnglen (also calls at Dundee), Jan. 12—all Cairn-Thomson Line; Gitano, Dec. 27; Consuelo, Jan. 11; Bassano, Jan. 28—all Ellerman's Wilson Line (do not call at Leith).

To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.—Gloucester City, Dec. 24; Boston City, Jan. 11; Montreal City, Jan. 23—all Bristol City and Dominion Lines; Dorelian, Jan. 4; Dakotian, Feb. 4—both Cunard-Donaldson and Dominion Lines.

To Aberdeen and Hull.—Gitano, Dec. 27; Consuelo, Jan. 11; Bassano, Jan. 28—all Ellerman's Wilson Line.

To Glasgow.—Sulairia, Dec. 24; Delilian, Jan. 10; Norwegian, Jan. 24—all Donaldson-Atlantic Line.

To Copenhagen and Gdynia.—Batory, Gdynia-American Line, Jan. 21.

To Gothenburg.—Braeholm (also calls at other Scandinavian ports), Swedish-America-Mexico Line, Dec. 31; Drottningholm, Swedish-American Line, Jan. 23.

To Antwerp.—Beaverdale, Dec. 23; Beaverhill, Jan. 20—both Canadian Pacific.

To Hamburg.—Beaverford, Dec. 30; Beaverdale, Jan. 27—both Canadian Pacific.

To St. John's, Nfld.—Fort Amherst (also calls at St. Pierre), Furness-Red Cross Line, Dec. 19, Jan. 2 and 16; Portia, Newfoundland Ry. and SS. Co., Dec. 21 and Jan. 4; Nova Scotia, Dec. 24; Newfoundland, Jan. 24—both Furness Line; Belle Isle, Dec. 26, Jan. 9 and 23 (also calls at St. Pierre); Magnhild, Dec. 29, Jan. 12 and 26 (also calls at St. Pierre and Newfoundland outports)—both Newfoundland-Canada SS. Ltd.

To Hamilton, Nassau, Kingston and Belize.—Lady Rodney, Dec. 22; Cavelier (calls at Kingston only), Dec. 29; Lady Somers, Jan. 5; Cathcart (calls at Kingston only), Jan. 13—all Canadian National.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Drake, Dec. 29; Lady Nelson, Jan. 12; Lady Hawkins, Jan. 26—all Canadian National; a steamer, Ocean Dominion SS. Corp., Dec. 27, Jan. 9 and 23 (do not call at Nevis or Montserrat).

To Puerto Rico, Barbados, Trinidad and Demerara.—Colborne, Dec. 24 and Jan. 28; Chomedy, Jan. 14—both Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To Santiago (Cuba) and Kingston (Jamaica).—Lillemor, Dec. 28 and Jan. 25; Kirsten B, Jan. 11; Lillgunvor, Feb. 8—all Pickford & Black Ltd. (also call at Jamaican outports as cargo offers).

To Brisbane, Sydney, Melbourne and Adelaide.—Port Nicholson, Jan. 17; Kaipara, Feb. 15—both Montreal Australia New Zealand Line (will also call at Geelong).

To Auckland, Wellington, Lyttelton and Dunedin.—City of Glasgow (also calls at Timaru and Bluff), Dec. 30; Kaimata, Jan. 21—both Montreal Australia New Zealand Line.

To Far East Ports.—Silverpine, Dec. 20; Silverash, Jan. 9—both Silver Line; Siamese Prince, Dec. 22; Cingalese Prince, Jan. 21—both Furness-Prince Line.

From Vancouver

To Yokohama, Kobe and Osaka.—Heian Maru, Dec. 22; Hie Maru, Jan. 24—both Nippon Yusen Kaisha.

To Yokohama, Kobe, Shanghai, Hongkong and Manila.—Empress of Asia (calls at Nagasaki), Dec. 24; Empress of Canada (calls at Honolulu), Jan. 7; Empress of Russia (calls at Nagasaki), Jan. 21; Empress of Japan (calls at Honolulu), Feb. 18—all Canadian Pacific; Talhybius, Dec. 22; Tyndareus, Jan. 19—both Blue Funnel Line (call at Miike but not at Manila).

To Honolulu, Suva, Auckland and Sydney.—Niagara, Dec. 21; Aorangi, Jan. 18—both Canadian-Australasian Line.

To Manila, Cebu, Soerabaya, Samarang, Batavia, Colombo and Bombay.—Hopecrest (calls at Belawan Deli, also at Singapore, Port Swettenham and Penang if cargo offers), Dec. 24; Bengkalis (calls at Saigon, Singapore and Persian Gulf ports, also at Port Swettenham, Belawan Deli and Penang if cargo offers), Jan. 1; Salawati (calls at Belawan Deli, also at Singapore, Port Swettenham and Penang if cargo offers), Jan. 24—all Silver-Java Pacific Line.

To Papeete, Auckland, Wellington and Sydney.—Tolten (also calls at Melbourne and Lyttelton), Canadian-Australasian Line, Jan. 9

To Brisbane, Sydney, Melbourne and Adelaide.—Anten, Empire Shipping Co. Ltd., Jan. 25.

To London, Liverpool and Rotterdam.—Dinteldyk, Dec. 24; Lochavon (also calls at Glasgow), Jan. 7; Lochkatrine, Jan. 21; Lochmonar (also calls at Glasgow), Feb. 4—all North Pacific Coast Line (will call at Southampton if inducements offer).

To Antwerp, Hamburg and Bremen.—Este, Dec. 22; Schwaben, Jan. 18—both North German Lloyd Line; Tacoma, Hamburg-American Line, Jan. 2.

To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.—Wyoming, Dec. 24; San Diego, Jan. 16; Barfleur, Jan. 16—all Empire Shipping Co. Ltd.

To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.—Leme, Jan. 2; Fella, Jan. 29—both Empire Shipping Co. Ltd.

To Cape Town, Port Elizabeth, Durban and Lourenco Marques.—Madoera, Jan. 6; Silverbelle, Feb. 5—both Silver-Java Pacific Line (call at Beira, East London and Calcutta, will also call at Colombo and Madras if sufficient cargo offers); Hope Crown, North Pacific Shipping Co. Ltd., end of December.

To Port of Spain (Trinidad) and Bridgetown (Barbados).—A steamer, Canadian Transport Co., January.

To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.—Brandanger, Dec. 27; Hardanger, Jan. 27—both Empire Shipping Co. Ltd. (will call at West Coast ports if sufficient cargo offered).

Note.—Firms who desire information concerning ocean and mail services may have their names placed on the mailing list of the Post Office Weekly Bulletin by applying to the Post Office Department.

COMMERCIAL INTELLIGENCE SERVICE

L. D. WILGRESS, *Director*

CANADIAN GOVERNMENT TRADE COMMISSIONERS

Argentina

J. A. STRONG. B. Mitre 430, Buenos Aires (1). (Territory includes Uruguay.) *Cable address, Canadian.*

Australia

Sydney: L. M. COSGRAVE. Address for letters—P.O. Box No. 3952V. Office—City Mutual Life Building, Hunter and Bligh Streets. (Territory includes the Australian Capital Territory, New South Wales, Queensland, Northern Territory and Dependencies.) *Cable address, Canadian.*

Melbourne: FREDERICK PALMER. Address for letters—Box 196C, G.P.O. Office—Safe Deposit Office Building. (Territory includes States of Victoria, South Australia, Western Australia, and Tasmania.) *Cable address, Canadian.*

Belgium

YVES LAMONTAGNE, Shell Building, 60 Ravenstein Street, Brussels. *Cable address, Canadian.*

Brazil

L. S. GLASS. Address for letters—Caixa Postal 2164, Rio de Janeiro. Office—Ed. Da. "A. Noite," Sala 802, Praca Maua. *Cable address, Canadian.*

British India

PAUL SYKES. Address for letters—P.O. Box 2003, Calcutta. Office—23 Esplanade Mansions, Government Place East, Calcutta. (Territory includes Burma and Ceylon.) *Cable address, Canadian.*

British Malaya

B. C. BUTLER, Union Building, Singapore, Straits Settlements. (Territory includes the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India.) *Cable address, Canadian.*

British West Indies

Trinidad: M. B. PALMER. Address for letters—P.O. Box 125, Port of Spain. Office—Barelay's Bank Building. (Territory includes Barbados, Windward and Leeward Islands, and British Guiana.) *Cable address, Canadian.*

Jamaica: F. W. FRASER, P.O. Box 225, Kingston. Office—Canadian Bank of Commerce Chambers. (Territory includes Haiti, the Bahamas, and British Honduras.) *Cable address, Canadian.*

China

H. A. SCOTT. Address for letters—P.O. Box 264, Shanghai. Office—Ewo Building, 27 The Bund, Shanghai. (Territory includes Central China and North China.) *Cable address, Canadian.*

Cuba

C. S. BISSETT. Address for letters—Apartado 1945, Havana. Office—Royal Bank of Canada Building, Calle Aguiar 75, Havana. (Territory includes Dominican Republic and Puerto Rico.) *Cable address, Canadian.*

Egypt

HENRI TURCOT. Address for letters—P.O. Box 1770, Cairo. Office—22 Shari Kasr el Nil, Cairo. (Territory includes the Sudan, Palestine, Cyprus, Iraq, Syria, Iran, Greece, Turkey, Bulgaria, and Roumania.) *Cable address, Canadian.*

France

HERCULE BARRÉ, Commercial Attaché, 3 rue Scribe, Paris (9). (Territory includes French Colonies in North Africa.) *Cable address, Cancomac.*

Germany

J. C. MACGILLIVRAY, 801 Columbus-Haus, Potsdamer Platz 1, Berlin W.9. (Territory includes Czechoslovakia and Poland.) *Cable address, Cantracom.*

Hongkong

V. E. DUCLOS. Address for letters—P.O. Box 80, Hongkong. Office—Hongkong and Shanghai Bank Building, Hongkong. (Territory includes South China, the Philippines, and Indo-China.) *Cable address, Canadian.*

Ireland

JAMES CORMACK, 66 Upper O'Connell Street, Dublin, Ireland (*cable address, Canadian*); and 36 Victoria Square, Belfast, Northern Ireland.

CANADIAN GOVERNMENT TRADE COMMISSIONERS—*Con.*

Italy

A. B. MUDDIMAN. Via Manzoni Nr. 5, Milan (102). (Territory includes Spain, Portugal, Gibraltar, Malta, Albania, and Yugoslavia.) *Cable address, Canadian.*

Japan

Tokyo: C. M. CROFT, Commercial Secretary. Address for letters—P.O. Box 18, Akasaka Post Office, Tokyo. Office—Canadian Legation, 16 Omotecho, 3-chome, Akasakaku, Tokyo. *Cable address, Canadian.*

Kobe: P. V. McLANE. Address for letters—P.O. Box 230, Kobe. Office—309 Crescent Building, 72 Kyomachi, Kobe. *Cable address, Canadian.*

Mexico

R. T. YOUNG. Address for letters—Apartado Num. 126-Bis, Mexico City. Office—Edificio Banco de Londres y Mexico, Num. 30, Mexico City. (Territory includes Guatemala, Honduras, and Salvador.) *Cable address, Canadian.*

Netherlands

J. A. LANGLEY, Coolsingel 111b, Rotterdam. (Territory includes Switzerland.) *Cable address, Canadian.*

New Zealand

W. F. BULL. Address for letters—P.O. Box 33, Auckland. Office—Yorkshire House, Shortland Street, Auckland. (Territory includes Fiji and Western Samoa.) *Cable address, Canadian.*

Norway

RICHARD GREW, Stortingsgaten 28, Oslo. (Territory includes Sweden, Denmark, and Finland.) *Cable address, Canadian.*

Panama

W. J. RIDDIFORD. Address for letters—P.O. Box 222, Panama City. Office—Royal Bank of Canada Building, Santa Ana Plaza, Panama City. (Territory includes the Canal Zone, Venezuela, Colombia, Nicaragua, and Costa Rica.) *Cable address, Canadian.*

Peru

M. J. VECHSLER. Address for letters—Casilla 1212, Lima. Office—Portal de Belén No. 166, Plaza San Martin, Lima. (Territory includes Bolivia, Ecuador, and Chile.) *Cable address, Canadian.*

South Africa

Cape Town: G. R. HEASMAN. Address for letters—P.O. Box 683. Office—Cleghorn & Harris Building, Adderley Street. (Territory includes Cape Province and Southwest Africa, Natal, Tanganyika, Kenya, Uganda, Mauritius, and Madagascar.) *Cable address, Cantracom.*

Johannesburg: J. L. MUTTER. Address for letters—P.O. Box 715. Office—Prudential Assurance Bldg., 92 Fox Street. (Territory includes Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland.) *Cable address, Cantracom.*

United Kingdom

London: FREDERIC HUDD, Chief Trade Commissioner in the United Kingdom, Canada House, Trafalgar Square, S.W.1. *Cable address, Sleighing, London.*

London: J. H. ENGLISH, Trade Commissioner, Canada House, Trafalgar Square, S.W.1. (Territory includes Home Counties, Southeastern Counties, and East Anglia.) *Cable address, Sleighing, London.*

London: W. B. GORNALL, Fruit Trade Commissioner, Aldine House, Bedford Street, Strand, W.C.2. *Cable address, Canfrucum.* (Territory—for fresh fruit only—includes United Kingdom, Norway, Denmark, Sweden, France, Holland, Belgium, and Germany.)

London: W. A. WILSON, Animal Products Trade Commissioner, Canada House, Trafalgar Square, S.W.1. *Cable address, Agrilcon.*

Liverpool: ACTING TRADE COMMISSIONER, Martins Bank Building, Water Street. (Territory includes North of England, Lincolnshire, North Midlands, and North Wales.) *Cable address, Canadian.*

Bristol: E. L. MCCOLL, Northcliffe House, Colston Avenue. (Territory includes West of England, South Wales, and South Midlands.) *Cable address, Canadian.*

Glasgow: G. B. JOHNSON, 200 St. Vincent Street. (Territory covers Scotland.) *Cable address, Cantracom.*

United States

D. S. COLE, British Empire Building, Rockefeller Center, New York City. (Territory includes Bermuda.) *Cable address, Cantracom.*

Note.—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.

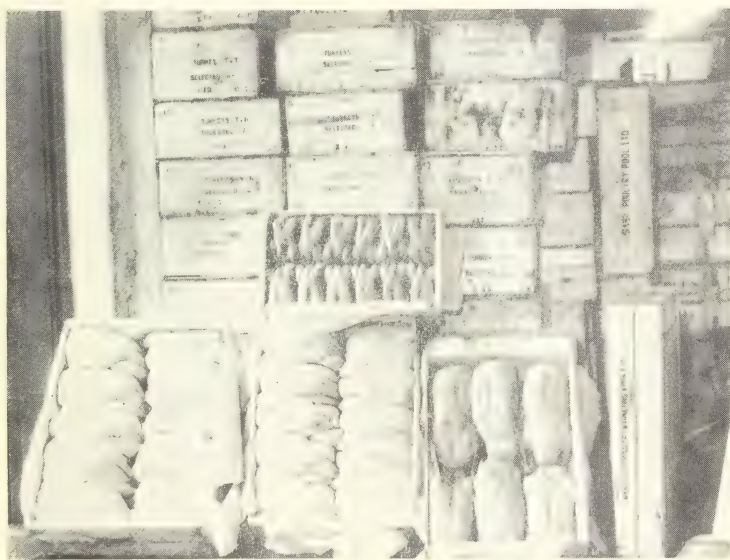
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COMMERCIAL INTELLIGENCE JOURNAL

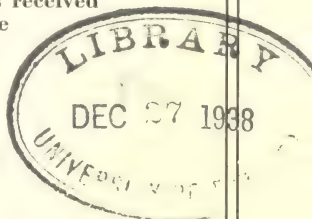
Vol. LIX

Ottawa, December 24, 1938

No. 1821



Shipment of Canadian Turkeys, Chickens and Ducks received
by a Liverpool Firm for the Christmas Trade



ISSUED BY AUTHORITY OF
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE
JAMES G. PARMELEE, DEPUTY MINISTER

CONTENTS

	Page
Market for Canned Salmon in South Africa.....	1057
The British West African Market:	
II. Sales Channels and Methods	1059
Australian Wheat and Flour	1067
Cement Industry in Australia	1067
Trade of Hongkong, January to September	1068
Argentine Grain Acreage, 1938	1071
Canada's Domestic Exports to the United States of Principal Commodities affected by the Canada-United States Trade Agreement; November and Eleven Months ended November, 1937 and 1938	1072
United States Grass and Clover Seed Market—II.....	1076
Market for Feedstuffs in France	1080
Portuguese Market Conditions for Foodstuffs	1081
Trade of Peru, January to June	1084
Foreign Trade of Iran, 1936-37	1086
Tariff Changes and Customs Regulations	1087
Foreign Exchange Quotations	1090
Trade Inquiries for Canadian Products	1091
Proposed Sailings from Canadian Ports	1092
Condensed List of Publications	1094
Commercial Intelligence Service	1095

1. The first step in the process is to identify the problem or issue that needs to be addressed. This involves gathering information and understanding the context of the problem.

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No. 1821

J. C. BRITTON, ASSISTANT TRADE COMMISSIONER

IMPORTS

	1937		1936	
	Lbs.	£	Lbs.	£
Total	6,294,337	137,863	4,641,118	110,157
Canada	3,860,258	63,267	3,007,260	57,214
Russia.. . . .	724,321	42,227	382,940	22,372
Japan.. . . .	1,433,272	21,466	951,074	16,744
United States	271,420	10,549	285,215	12,834
United Kingdom	4,274	270	11,058	655
Denmark.. . . .	772	83	2,301	281
Other	20	1	1,270	57

PACKING

The type of packing plays an important part in the sale of salmon in this market. Through long usage purchasers have associated flat tins with the more expensive grades, and, conversely, when purchasing "talls" they expect to pay less. The Indian, coloured, and native purchasers have formed the opinion that the tall tin contains a larger quantity of salmon, and for this reason, as well as because "talls" are cheaper, favour this pack. It is safe to assume that the

average householder in this territory knows little or nothing about the different varieties of canned salmon other than that a larger financial outlay is required to obtain red salmon. The importance of attractive labels in promoting the sale of any commodity to consumers is too well known to require comment, but it should be mentioned that bright-coloured labels have an especial appeal to the Indian, coloured, and native purchasers in this market. Brands are of the utmost importance in the sale of better-quality salmon, but they are not the dominating factor in the cheaper trade, in which price is the primary consideration. In view of this situation, many large importers purchase "pinks" and "chums" under their own labels.

DISTRIBUTION

In the absence of definite statistics, it is difficult to state precisely the particular areas to which the bulk of canned salmon is destined upon arrival at ports in the Union of South Africa. As the majority of the population is located in Johannesburg and vicinity, however, it can be taken for granted that the major portion of imports reaches this district. Canned salmon is popular with the Indian population, which is concentrated in Natal, and also with the coloured sections in the Cape Province. In addition, these two provinces are the principal holiday resorts, and the visitors create a demand for the quality product.

These factors are important in relation to the appointment of agents or distributors, as in the sale of this competitive product it is essential that representatives be aware of the market peculiarities of each section. Various methods of distribution have been adopted by overseas canned salmon exporters at present established in this market. In general it has been found that the widest coverage is secured through the medium of manufacturers' representatives. A few of the larger agency firms specializing in foodstuffs have offices in all the principal centres. If a firm in this category cannot be secured, serious attention should be given to the appointment of separate representatives in each of the main markets.

DUTIES

Under the terms of the Union of South Africa-Canada Trade Agreement, Canada is accorded a preferential rebate of 1½d. per pound on canned salmon from the intermediate rate of duty of 3d. per pound. Canned salmon from Canada is, therefore, dutiable at 1½d. per pound, a similar rate to that granted to the United Kingdom. Canned salmon from the chief competing countries—Russia, Japan, and the United States—is dutiable at 3d. per pound.

The customs authorities in the Union of South Africa allow a tolerance in the weight of tinned salmon of 1 ounce per 16-ounce tin, or 3 pounds on the usual case of forty-eight 1-pound tins, and of $\frac{3}{4}$ ounce on the usual 8-ounce tins, or 4½ pounds per case of ninety-six tins. If the net weight of a case of canned salmon exceeds the amount of the tolerance, then the tolerance no longer applies and the duty is levied on the actual net weight. If, to avoid giving underweight, exporters indicate 15½ ounces or 7½ ounces, as the case may be, on the labels, the salmon must be invoiced for customs purposes at 1 pound and $\frac{1}{2}$ pound respectively.

FACTORS AFFECTING SALES OF CANADIAN CANNED SALMON

Canadian canned salmon is well and favourably known in the South African market. The sale is, however, almost solely confined to the cheaper grades, only small quantities of Canadian "sockeye" being sold. Consumer demand for the cheaper grades of Canadian tinned salmon is well established and, as a result, dealers and wholesalers carry annual stocks despite the fact that slightly lower prices may be quoted by competing countries.

Unfortunately, the same situation does not obtain in the sale of better-quality salmon, which is primarily sold by brand. The demand for quality salmon has been built up by certain firms by continuous advertising over a period of years. In order to obtain a share of the better-class canned salmon business, Canadian exporters must adopt a similar policy, and in view of the ingrained preference for flat tins in the quality trade, they should use this type of packing. To popularize brands of Canadian "sockeye" will be a slow process, but results obtained from advertising eventually should more than compensate for any expenditure.

THE BRITISH WEST AFRICAN MARKET

A Survey in the Interests of Canadian Export Trade

H. L. BROWN, ASSISTANT TRADE COMMISSIONER

II. SALES CHANNELS AND METHODS

With the background of information on the nature of the people and trade contained in the preceding article,¹ it is possible to examine the channels of sales which may be used by the Canadian exporter seeking to sell in British West Africa. Each of those dealt with in the following paragraphs has its advantages and disadvantages and decisions as to the one to adopt must be based on careful examination and study of the requirements of each case.

COMPANY REPRESENTATIVE

The principal objection to sending out a salaried representative of one manufacturer is the expense. Occasionally, when intensive work is necessary, when the field to be covered includes the entire north and west of Africa, and generally when the prospects warrant, it is worthwhile sending out a special representative. This is particularly true of products for which something of a closed market is possible. It is probable that most Canadian exporters will not find this method adapted to their requirements.

DIRECT TO THE TRADING COMPANIES

Some firms have found that they can obtain useful and satisfactory distribution by appointing one trading company as exclusive distributor. This procedure is followed, for example, in the automobile business. It has the advantage, if the article is in demand, of ensuring a certain amount of distribution which might otherwise be difficult to obtain, being relatively simple for those manufacturers who desire some business but do not wish themselves to undertake any great expense or work. On the other hand, it has the disadvantage of limiting the sales field by excluding other trading companies, in some degree at least, and it leaves the responsibility for prosecution of sales effort in the hands of an organization which, if only mildly interested, may not obtain even a small proportion of the business available.

AGENTS RESIDENT IN THE UNITED KINGDOM

A fair amount of business is obtained through agents permanently resident in the United Kingdom (and also in other indent centres such as New York and Hamburg). These agents require only small office accommodation and their travelling expenses are limited. If they have been successful in building up adequate and permanent friendships with the buyers of the trading com-

¹ See *Commercial Intelligence Journal* No. 1820 (December 17, 1938), page 1025.

panies they can be valuable agents. The expense of selling through such an agent is usually low and the results will be satisfactory with cheap trade lines, which can be sold in quantity, or those lines for which only a small or moderate sale is desired. It should be added, however, that the value of such an agent is frequently limited and that he is not always effective in introducing new brands.

AGENTS RESIDENT IN WEST AFRICA

There are also a number of agents resident in West Africa. Because they are on the spot, these men are in a position to interest the smaller local traders as well as the managers of trading companies in trying new brands and products. Such agents sometimes travel from one colony to another during certain months of the year. The number of effective men thus engaged is rather limited.

TRAVELLING AGENTS

It will be clear from the preceding discussion, considered in conjunction with the information in the previous article, that the most effective sales channel for many commodities is the travelling agent who spends a good part of his time in West Africa and the remainder of it in the United Kingdom and, perhaps, on the Continent. A reliable travelling agent offers most of the advantages of the company representative without costing as much in proportion to the business obtained. He can make direct contact with the trading companies at the head offices and in West Africa; in fact, several manufacturers having exclusive arrangements with a trading company find it worth the expense to maintain an agent as well. The travelling agent is probably in the best position to make available impartial reports on the reception of new lines and the continuance of old. The main difficulty is the limited number of reliable travelling agents.

CIRCULARIZATION

It is occasionally possible to build up a useful, if limited, mailing list of customers for and by circularization. These customers usually consist of hospitals, schools and similar institutions. Leaflets will frequently bring fairly good results in such channels.

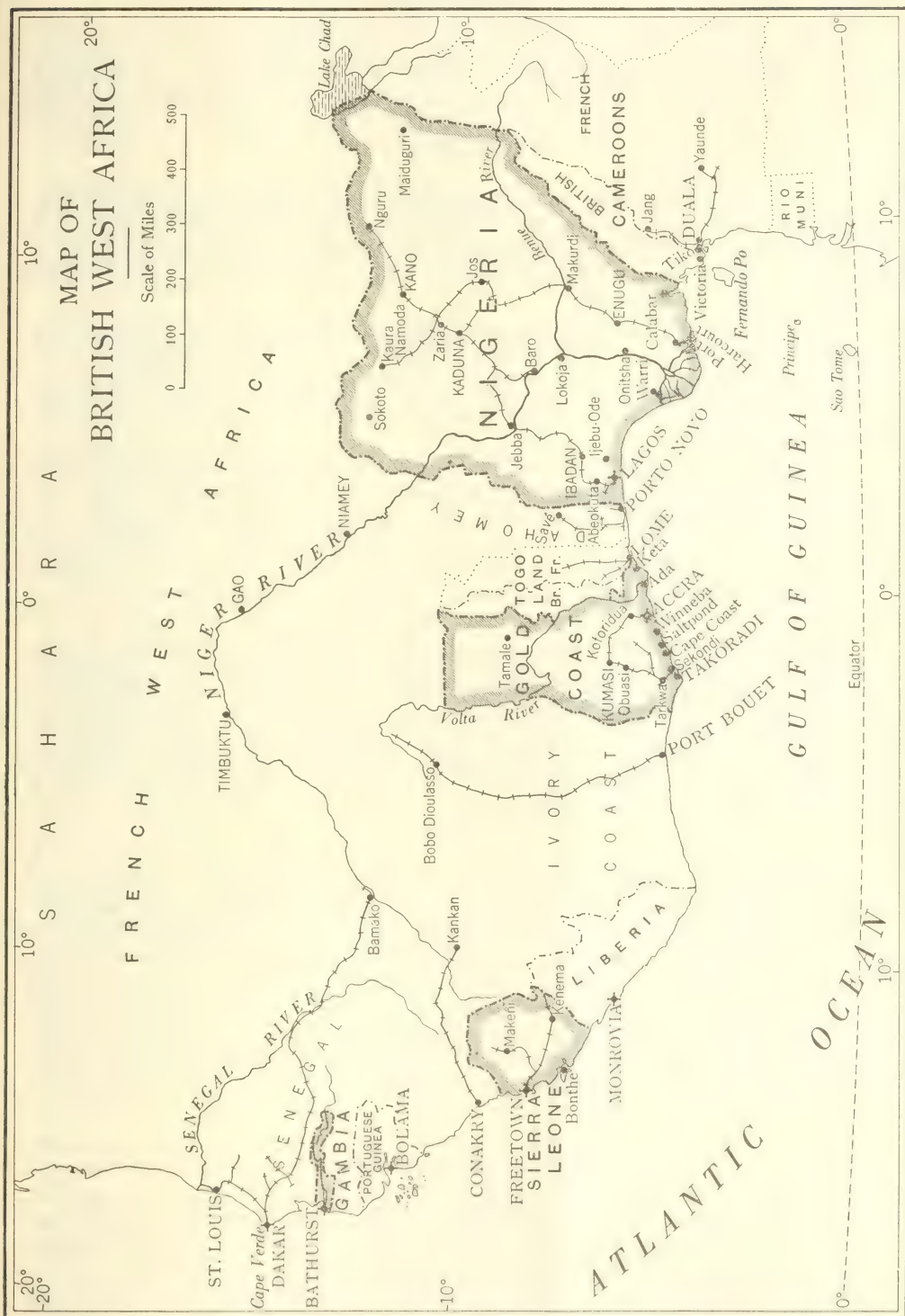
Quality catalogues of a technical nature can also be distributed with discrimination among managers and engineers of mines and railways, directors of public works departments and health departments and through other similar channels.

In a few cases results may be obtained by circularizing the managers of the trading companies. In this case it is essential to send the same circular to the head office of the trading companies.

In all circularization, which should be carried out very carefully, it is futile to try to arouse interest without (1) quoting in sterling, (2) quoting c.i.f. West African ports, (3) giving package sizes, weights, etc., and (4) making small quantities available without appreciable increase of price per unit.

MAIL ORDER HOUSES

There are a small number of mail-order houses in the United Kingdom which build up clientele by catering, as outfitters, to recruits to the West African services, or by advertising in the West African newspapers and periodicals. Some of these mail-order houses also indent for small firms in West Africa. In general, the former allow fairly liberal credits but offer discounts for cash; the latter usually require cash with order. Mail-order houses usually purchase their requirements in the United Kingdom and offer little outlet for most Canadian goods.



ADVERTISING

In the case of many commodities advertising in British West Africa is, as yet, of relatively little importance in selling to most Africans. There are a number of newspapers in each colony which find their small circulation among the limited number of literate Africans and the Europeans. Due to the general illiteracy of the Africans, reading material has value among only a small percentage of the population.

Nevertheless, advertising in the press has been found to be of value, particularly for such goods as patent medicines. Such advertisements occupy a high proportion of the advertising space in the papers intended for native circulation. They are read by the literate and their message spread by word of mouth among the illiterate.

There is, too, an important field of advertising among the Europeans, a high proportion of whom hold positions directly or indirectly connected with purchases of goods and supplies. There are a few quality publications catering to this section of the population which may well be considered in any advertising program.

There has been some development of outdoor pictorial signs and it is probable that this development will continue. Both in outdoor posters and newspaper advertising, it is essential that the material be adapted to the psychology of the African, that the cartoon or illustration be suited to his mentality and outlook, and that the wording be brief and pointed. Pictures must not be misleading. For instance, if a can of fish contains six pieces, it should not be illustrated as having more than six.

A useful form of advertising is in the free distribution of useful material. This must be related to the goods to be sold. It is useless, for example, to distribute clasp knives to advertise flour; but it is possible, with promise of good return, to distribute small samples to introduce patent medicines or smokers' gadgets bearing identification with a certain brand of beer. All such distribution should be planned carefully and should be carried out only as a part of considered merchandising.

BRANDS

Brands are of vital importance in the West African market. A good brand, favourably known, is invaluable. In some commodities it is worth substantial price premiums. There is only one fate for a discredited brand; it must be abandoned. Primitive people with the mental background of the West Africans have tremendous, almost superstitious, confidence in a brand known to them. Once that brand breaks faith, however, it is no longer "good ju-ju" and becomes an outcast. It is essential, therefore, to design an acceptable brand and to place it on goods which meet the requirements of the users. To maintain the brand it is necessary to maintain the uniform quality of the goods.

So far as the design of brands is concerned, there are no unique principles. Complicated designs are acceptable, but it is definitely preferable to keep the design simple in character and related, if possible, to the life of the people. There seems to be something of a "fashion" at the present time for the use of three units in the brand: "Three Dice," "Three Elephants," "Three Maids," "Three Fires," etc. A cigarette manufacturer is using, apparently satisfactorily, the modern motor car and the bicycle as brand marks for various types of cigarettes made for the African trade.

In a number of cases, especially with the trading companies, the importer has his own brand already established, or wishes to establish his own brand, even though vending the identical product as his competitors. There is nothing unusual in such a request and there is little reason to oppose it. Traders naturally prefer lines exclusive to themselves.

CUSTOMS TARIFF

In general the customs tariffs of the British West African colonies are for the sole purpose of collecting revenue. There are two important exceptions: the colonies of the Gambia and Sierra Leone both provide preferential treatment for goods of British Empire origin, and there are some special restrictions against certain Japanese goods to prevent dumping.

In each of the four colonies the c.i.f. value of goods constitutes the value for the purpose of assessing ad valorem import duties.

Invoices must be of such arrangement as to show clearly the country of origin, the marks and numbers on the packages, the quantity and description of goods, and the selling price to the purchaser per unit and amount for each class of goods as well as the total. It is necessary to show the rate of exchange when billing in currency other than sterling.

It is useful, and sometimes necessary, to indicate in the invoice the net cost of goods, the ocean or land and ocean freight and similar expenses, and any commission properly payable.

PREFERENTIAL REQUIREMENTS IN THE GAMBIA AND SIERRA LEONE

To obtain the benefit of the British preferential tariff most goods must have a British Empire content of 25 or 50 per cent in materials, labour, or materials and labour. For a narrowly limited number of goods a British Empire content of 75 per cent is required. All goods must be accompanied by a certificate of origin and any additional documentary evidence the Comptroller of Customs or Receiver-General may require. The certificate of origin must be made out in uniformity with the marks, numbers and description of the packages and goods. Goods certified for preference must be packed separately from other goods but may be closed with other goods, provided the certificate is endorsed accordingly. Goods produced in the Empire but transhipped at a foreign port or shipped from a foreign port after overland transit from the Empire country shall not be entitled to preference unless such shipment has been in bond and is accompanied by a through bill of lading or railway consignment note from the country of production to the Gambia or Sierra Leone; if this is not available, then the ocean bill of lading from the foreign port must bear a certificate signed by the steamship company before and attested by a British consul that the goods have travelled in bond. Goods of Empire origin, reconsigned from a foreign country where duty has been paid, shall not be admitted for preference. (Rates of duty are not indicated here but may be obtained on application to the Department of Trade and Commerce, Ottawa.)

DOCUMENTATION AND PACKING

There is nothing unusual in the documentation and packing requirements for shipment to West Africa, but this opportunity must be taken to stress the extreme importance of following in every detail the instructions of the buyer. It is not out of place to say that documentation and packing are not fields in which one may take liberties. Documentation is laid down for purposes of government and the requirements of the purchaser's accounting; it is not a

question of personal idiosyncrasy. Packing is required to meet local conditions, such as unloading in surf boats or head portage through the jungle or sales in small units. For example, flour is required in 95-pound rather than 98-pound bags because that is what the trade is accustomed to at the present time. Again, tobacco may be required in cases or tierces, according to the size and prosperity of the market.

Above all, the exporter must ensure that documents arrive at the same time as the shipment to which they relate. For his own protection, the exporter should never document to unknown buyers direct, but through the banks which are established to handle such business.

COMMUNICATIONS

Sea.—The main channel of communication is, of course, by sea. (A list of the principal shipping lines and the services they offer may be obtained on application to the Department of Trade and Commerce, Ottawa.) Shipments from Canada to West Africa may follow any of three routes.

Elder Dempster Lines, Ltd., operate at least one ship a month and up to eighteen or twenty a year, from Montreal or Saint John to South Africa. These ships call at Freetown, Sierra Leone, on the outward voyage and, should sufficient freight offer, might be induced to call at other West African ports; ordinarily, however, transshipment must be made at Freetown. The other two main routes are via Liverpool or New York. There is also a certain amount of transshipment at Hamburg, Rotterdam or other continental ports, particularly of parcels from the Pacific Coast.

Rail, Road and River.—Transportation in each colony is effected by rail, road and river.

In the Gambia the river is the main channel of traffic to the interior.

In Sierra Leone the railway gives access to interior points. Roads are being built.

In the Gold Coast the railways and the roads share the burden of transportation. The automobile is an important factor, for the network of roads is already very effective and is steadily being improved and extended. The river traffic is extremely small.

In Nigeria the railway gives access to the important producing areas. In the southwest, from Lagos north, the automobile is particularly important and a system of roads is being extended throughout the colony. The Niger river is still the artery for a great deal of traffic by sternwheelers and barges.

Air.—Air service is relatively new to British West Africa, but its development has been rapid and valuable. At the present time, Imperial Airways provide a passenger and mail service via Khartoum to Nigeria and the Gold Coast. Early expansion of this service is planned.

A French service to equatorial Africa provides an alternative service for the Gold Coast.

Bathurst, Gambia, is the depot of a German air service to South Africa and thus obtains rapid mail service to the Continent and the United Kingdom.

Post.—Ordinary mail from Canada proceeds via Liverpool, connecting with regular fortnightly and occasional services there. The time from Liverpool varies from a week to Bathurst to two weeks to Lagos. This service thus requires three to four weeks each way between Canada and West Africa.

The use of ordinary mail to the United Kingdom and air mail thence to Africa involves about two to three weeks, depending on connections.

Cable.—Each colony has a cable station with world connections.

CENTRES AND AREAS OF BUSINESS

Gambia.—There is just one important centre in the Gambia, the capital, Bathurst. All business has its headquarters in Bathurst. About 60 per cent of the imports entering this port go to the up-river trade. The river trade is very important during the groundnut season at the end of the year, but falls off to negligible proportions for the rest of the year.

Sierra Leone.—The centre of business is the capital, Freetown, and, while there are other sub-centres, none is of outstanding importance.

The Gold Coast.—Accra, the capital, is the centre of business for the eastern section of the colony and is the seaport for such towns as Koforidua and Nsawam. In Accra are located the main offices of most of the trading companies. Takoradi, with its twin town Sekondi, is the port of entry for the mines on the western railway line and also for Kumasi and the north. Kumasi is an important centre of business and is also the distributing point for all business to the northern territories. Tamale is a distributing point in the north.

Along the coast are a number of seaports which are themselves business centres and entry ports for centres of some importance. Of these Cape Coast, Winneba and Keta all handle a fair amount of traffic.

Nigeria.—For geographical reasons, Nigeria divides naturally into southwest, north and southeast. Lagos, the leading seaport, is the centre of trade for the southwest and the port of entry for such important centres as Ijebu-Ode, Abeokuta, Ibadan and points farther north, including Kano.

Kano is the main centre in the north, but there are a number of other distributing points such as Sokoto and Maidugari. Lagos is the port of entry for all these. Jos, the centre of the tin mining, is in something of a class by itself as a market because of the high percentage of Europeans.

The southeast comprises mainly the delta country and includes a number of ports of entry, such as Port Harcourt, Calabar, Warri. There is a tremendous concentration of population in the southeast. The British Cameroons are, generally speaking, a part of the southeast business area.

BUSINESS SEASONS

Business is carried on all year round, but there is a slackening between harvests during the rainy summer months. Business is usually at its peak in the fall and winter months and gradually slackens off in the spring. Indents are generally placed in volume during the winter and spring for the coming fall.

BANKS

Two United Kingdom banks operate in British West Africa: the Bank of British West Africa and Barclays Bank (Dominion, Colonial, and Overseas). The former has a branch at Bathurst, Gambia, and both have branches in all important centres of the other three colonies. Barclays Bank (D., C., and O.) has a branch in Montreal.

The principal trading companies, which engage both in import and export trade, do much of their own banking business.

CURRENCY, EXCHANGE, WEIGHTS, AND MEASURES

The West African Currency Board (head office at 4 Millbank, London, S.W. 1), which is responsible for the supply and control of currency in all four colonies, issues and redeems currency against deposits and withdrawals of ster-

ling in London. The West African currency is secured by British and Colonial Government investments held by the board in London and is maintained at par with sterling.

The unit of currency is the shilling. The media of circulation are 20-shilling and 10-shilling notes, silver alloy coins of two shillings, one shilling, sixpence and threepence, and nickel-bronze coins of one penny, halfpenny, and one-tenth penny.

United Kingdom standards of weights and measures are in force throughout British West Africa. Local practices are of no importance in overseas trade.

HINTS TO TRAVELLERS

It is unlikely that many Canadian exporters will have need to send representatives from Canada to West Africa, but for those occasions the following suggestions will be found useful.

Route.—The traveller will probably travel via Liverpool and will probably find it valuable to call on the trading companies in the United Kingdom.

Timetable.—Ordinarily a few days will be sufficient in the Gambia, a week to ten days in Sierra Leone, and two weeks to two months in the Gold Coast and in Nigeria.

Passports.—The traveller will, of course, have his passport "valid for the British Empire." The colonial governments may ask a deposit on arrival, to be returned on departure.

Health.—It is strongly urged that the traveller undergo inoculation against yellow fever and typhoid, and also vaccination, at least a month before leaving for West Africa. The customary five grains of quinine daily are valuable. If not preventive of malaria, they do accustom the body to quinine against the heavy dosages common in treating malaria, and also serve as a general prophylactic.

Clothing.—Abundant light shirts, underwear, and socks, with three to six palm beach suits and a solar topee constitute the important articles of clothing required. Light canvas shoes with leather soles are comfortable and mosquito boots are valuable.

Accommodation.—The scarcity of hotel accommodation presents the greatest difficulty to the traveller. There is no hotel in the Gambia and travellers would be foolhardy to proceed there without first making arrangements to be put up.

There are two hotels in Freetown, Sierra Leone, but none in the interior.

There is a hotel at Accra and resthouses at Sekondi and Kumasi. In all other parts of the Gold Coast one is dependent on local hospitality and prior arrangements are indispensable.

At Lagos there is a hotel and at Kano a resthouse, but elsewhere in Nigeria one must ask the assistance of local officials and traders.

It will be abundantly clear, therefore, that any tour of West Africa must be planned with the assistance and co-operation of residents there, if it is intended to travel beyond Freetown, Accra, Sekondi and Kumasi, Lagos and Kano. The traveller wishing to make a complete tour of the colonies must carry complete camp bed and table equipment.

[NOTE.—The foregoing article is the second of four instalments of Mr. Brown's report on the British West African market. The third instalment will appear in the next issue.]

AUSTRALIAN WHEAT AND FLOUR

Mr. Frederick Palmer, Canadian Trade Commissioner, cables from Melbourne under date December 16 as follows:—

Shipments of wheat and flour from Australia for the twelve months ending November 30, 1938, totalled 128,230,102 bushels as compared with a total of 98,941,343 bushels for the previous twelve months. Weather throughout Australia continues dry, and harvesting is progressing rapidly under favourable conditions. There is an anticipated yield of 136,000,000 bushels as compared with 188,000,000 bushels last season, and the exportable surplus is estimated at 70,000,000 bushels. The quality is considered of high standard with a low percentage of moisture.

Owing to an import duty of 9s. 8d. (equivalent to \$1.81 Canadian) per quarter imposed by the Indian Government as from December 7, many existing contracts and cargoes for shipment to India are now being diverted to the United Kingdom, causing a sharp decline. There is an extremely slow demand for Australian wheat from the United Kingdom. The price f.o.b. steamer is 2s. 4d. (equivalent to 43 cents Canadian) per bushel, and the price to growers at country sidings is approximately 1s. 9d. (equivalent to 33 cents Canadian) per bushel. Growers are selling only sufficient to meet their immediate financial requirements. The extra 4d. (6 cents Canadian) per bushel to be provided by a fixed home consumption price for wheat is not expected to improve the growers' position materially at present export prices.

Export quotations for flour are approximately £5 15s. (\$21.55 Canadian) per ton in 49-pound calico bags and £5 5s. (\$19.58 Canadian) per ton in 150-pound sacks. The price of flour delivered Melbourne is £7 10s. (\$28.11 Canadian) per ton of 2,000 pounds, plus the flour tax operable from December 19 of £5 15s. per ton. Freight rates to the United Kingdom remain unchanged, but are considered too high, as unrestricted space is available.

CEMENT INDUSTRY IN AUSTRALIA

L. M. COSGRAVE, CANADIAN TRADE COMMISSIONER

Sydney, September 15, 1938.—There has been a marked development in recent years of Australia's secondary industries, and in this connection the Commonwealth and state statisticians have recently co-operated in assembling uniform statistics of factory production, with a view to supplying a more comprehensive analysis of Australia's manufacturing developments than has hitherto been available.

The information provided in respect of the different commodities manufactured affords a useful reference for estimating the present and future possibilities of Australia's import requirements, both in respect of competition and the supply of raw and partially-manufactured items for use in such industries.

PRODUCTS MANUFACTURED

Under the heading of cement and cement goods, the industries concerned include Portland cement, cement building sheets, cement pipes, tiles, posts, and other manufactured products of cement. The manufacture of cement in Australia was an established industry during the early years of the century, but marked development took place during the post-war period. At the present time practically the entire requirements of Australia are met by local manufacturers. Some quantities are still imported, but these consist mainly of those types not produced in Australia.

At the end of 1937 a total of 108 factories was operating throughout the Commonwealth, value of production amounting to £1,988,000 Australian currency. The industry employs about 3,214 persons, and the annual wage bill amounts to some £677,000.

PRODUCTION

Official records of the total production of cement in Australia are available only from 1924, when 491,976 tons were manufactured. With the exception of the depression years (1930 to 1933), the industry has made steady progress, total production in 1937 being 720,391 tons.

The quantity of cement building sheets produced amounted to 6,265,233 square yards valued at £496,567; cement pipes, £617,940; and cement tiles, £42,520. Cement posts, poles, and piles were also produced.

MATERIALS USED

The materials used in the foregoing production included: clay, 107,019 tons (£13,403); limestone, shell, and coral, 1,081,999 tons (£296,266); gypsum, 32,055 tons (£51,761); asbestos, 7,378 tons (£140,636); and reinforcing steel, 2,445 tons (£38,020). Canada and South Africa are the chief sources of supply for asbestos fibre, and in this connection it is reported that a considerable increase in imports of fibre from Canada has been necessitated by the shortage of South African supplies. Similarly, substantial quantities of gypsum are imported to supplement Australian supplies.

IMPORTS OF CEMENT

The marked decrease in imports of Portland cement is indicated by a comparison of the figures for 1928-29 with those of 1936-37, as follows:—

	1928-29	1936-37
	Tons	Tons
United Kingdom	18,342	14,260
France	765	170
Germany	1,037	106
United States	950	326
Other countries	428	144
Total	21,522	15,006

The foregoing statistics show that the market in Australia for cement and cement goods in fully manufactured form is practically negligible. However, the demand for raw materials such as asbestos, gypsum, etc., should continue steady, increasing as Australia's building developments and the natural expansion of industries requiring cement products of all kinds also increase.

TRADE OF HONGKONG, JANUARY TO SEPTEMBER

V. E. DUCLOS, CANADIAN TRADE COMMISSIONER

(HK\$1 equals 30 cents Canadian)

Hongkong, November 1, 1938.—The total trade of Hongkong for the first three quarters of 1938 was valued at HK\$874,200,000 as against HK\$789,800,000 for the corresponding period of 1937. Imports were valued at HK\$477,600,000 as compared with HK\$456,300,000 for the same period of 1937; exports were valued at HK\$396,600,000 as against HK\$332,700,000.

IMPORTS INTO HONGKONG BY COUNTRIES

The values of imports by principal contributing countries for the respective nine-month periods of 1938 and 1937 are shown in the following table:—

	Jan.-Sept., 1938 HK\$1,000	Jan.-Sept., 1937 HK\$1,000
United Kingdom	41,908	34,051
Australia	10,987	9,837
Burma	5,075	9,071
Canada	5,333	4,539
India	9,048	4,454
British Malaya	5,704	7,301
British North Borneo	1,864	1,745
South Africa	2,398	553
Belgium	5,269	8,519
North China	76,274	64,006
Middle China	8,491	8,418
South China	89,396	77,052
Denmark	1,789	681
France	2,956	2,184
Indo-China	27,175	33,413
Germany	32,014	23,863
Holland	4,383	5,566
Italy	1,409	1,738
Japan	14,168	51,376
Kwong Chow Wan	6,029	4,994
Macao	8,298	6,940
Norway	1,037	717
Netherlands East Indies	29,726	37,702
Philippines	2,042	2,108
Siam	31,947	18,479
South America	1,225	1,195
Sweden	1,048	1,284
United States	44,558	30,279

The percentage share of the import trade of Hongkong credited to each of the chief countries of supply for the January-to-September period of 1938, comparative percentages for the corresponding period of 1937 being given within parentheses, was: China, 36.4 (32.7); United States, 9.3 (6.6); United Kingdom, 8.8 (7.5); Siam, 6.7 (4); Germany, 6.7 (5.2); Netherlands East Indies, 6.2 (8.2); Indo-China, 5.7 (7.3); Japan, 3 (11.2); Australia, 2.3 (2.2); India, 1.9 (1); British Malaya, 1.2 (1.6); Belgium, 1.1 (1.9); Canada, 1 (1).

EXPORTS FROM HONGKONG BY COUNTRIES

Comparative values of exports to principal purchasing countries for the respective nine-month periods of 1938 and 1937 are as follows:—

	Jan.-Sept., 1938 HK\$1,000	Jan.-Sept., 1937 HK\$1,000
United Kingdom	16,225	15,322
Australia	2,052	1,873
Burma	2,276	2,627
Canada	1,550	1,820
Ceylon	939	905
British East Africa	142	223
India	4,071	3,900
British Malaya	27,389	28,471
New Zealand	550	569
British North Borneo	993	1,140
South Africa	1,247	908
British West Africa	433	1,411
British West Indies	2,070	4,338
Belgium	1,743	685
North China	52,961	24,924
Middle China	24,504	20,148
South China	123,233	88,938
Cuba	126	133
Central America	1,067	1,368
Denmark	134	483
Egypt	139	261
France	7,057	2,409
Indo-China	15,715	18,653
Germany	10,880	5,395
Holland	4,682	2,262

Exports from Hongkong—Concluded

	Jan.-Sept., 1938	Jan.-Sept., 1937
	HK\$1,000	HK\$1,000
Italy	228	211
Japan	2,313	17,754
Kwong Chow Wan	6,276	7,359
Macao	15,615	11,285
Norway	313	94
Netherlands East Indies	10,906	11,714
Philippines	6,869	10,417
Siam	11,136	11,603
South America	447	1,963
Sweden	296	246
United States	36,653	26,719

The percentage distribution of exports by principal countries for the January-to-September period of 1938, with comparative percentages for the corresponding period of 1937 within parentheses, was: China, 50.6 (40.3); United States, 9.2 (8); British Malaya, 6.9 (8.6); United Kingdom, 4.1 (4.6); Indo-China, 4 (5.6); Macao, 3.9 (3.4); Siam, 2.8 (3.5); Netherlands East Indies, 2.7 (3.5); Philippines, 1.7 (3.1); Kwong Chow Wan, 1.6 (2.2); India, 1 (1.2); Japan, 0.6 (5.3).

IMPORTS AND EXPORTS BY MAIN GROUPS

There were increases in the imports into Hongkong during the first nine months of 1938, as compared with the corresponding period of 1937, in fourteen of the twenty-three main groups, as follows: live animals, building materials, chemicals and drugs, dyeing materials, fuels, liquors, machinery and engines, nuts and seeds, oils and fats, paints, piece-goods, tobacco, vehicles, and wearing apparel.

Increases in exports were recorded for seventeen of the twenty-three main groups, as follows: building materials, chemicals and drugs, dyeing materials, foodstuffs, fuels, liquors, machinery and engines, manures, minerals and ores, nuts and seeds, oils and fats, paper and paperware, piece-goods, tobacco, vehicles, wearing apparel, and sundries.

IMPORTS AND EXPORTS BY COMMODITIES

The following table gives imports and exports under main group headings for the first nine months of 1938:—

	January to September 1938	
	Imports	Exports
	HK\$1,000	HK\$1,000
Animals, live	7,389	54
Building materials	6,999	3,811
Chemicals and drugs	7,380	6,338
Chinese medicines	14,236	11,685
Dyeing materials	13,772	9,155
Foodstuffs	112,714	89,471
Fuels	13,699	936
Hardware	4,994	2,334
Liquors	3,789	1,064
Machinery and engines	11,124	3,926
Manures	8,499	12,896
Metals	38,217	29,207
Minerals and ores	7,597	12,376
Nuts and seeds	12,412	9,493
Oils and fats	58,791	60,916
Paints	1,872	1,221
Paper and paperware	11,811	8,420
Piece-goods	63,011	46,448
Railway materials	310	484
Tobacco	7,058	7,169
Vehicles	11,077	15,079
Wearing apparel	3,719	14,482
Sundries	57,159	49,657

IMPORTS FROM CANADA

Imports from Canada into Hongkong during the first nine months of 1938 were valued at U.S.\$1,599,900 as against U.S.\$1,407,090 for the corresponding period of 1937.

Values in United States dollars of the principal imports from the Dominion for the period under review were as follows:—

Wheat flour, \$384,234; sulphate of ammonia, \$168,973; motor cars, \$146,427; rubber tires (motor outer), \$56,803; motor lorries (chassis only), \$38,306; American pine, \$37,804; evaporated milk, \$30,732; softwood, \$26,962; fodder, \$24,179; brass sheets, \$23,947; metals n.o.p., \$23,200; potatoes, \$20,701; cattle, \$16,160; wrapping paper, \$15,672; cuttle fish, \$15,052; fish and fish products, \$12,164; printing paper, \$11,459; fruits, all kinds, \$9,735; sulphur, \$9,600; timber n.o.p., \$8,610; fresh fish, all kinds, \$8,264; agar agar, \$7,077; meat and fish (tinned and potted), \$6,879; motor lorries, \$6,180; wearing apparel, \$5,462; spirits (brandy, whisky, etc.), \$5,110; toys and games, \$4,949; upper leather, \$4,903; shooks and staves for cask making, \$4,754; paints n.o.p., \$4,685; miscellaneous foodstuffs, \$4,408; lead n.o.p., \$4,171; electrical accessories, \$4,140; sole leather, \$3,900; vermicelli, \$3,819; motor accessories, \$3,334; rubber tires (motor inner), \$3,293; iron and steel n.o.p., \$3,247; dried milk, \$2,929; pharmaceutical products, \$2,861; vegetables (tinned and bottled), \$2,846; motor car (chassis), \$2,560; hosiery (other than silk), \$2,524; building materials, \$2,325; toilet requisites, \$2,193; electrical wire and cables, \$2,035; chemicals and drugs, \$1,503; biscuits, \$1,264; oatmeal, \$1,204; hardware, \$1,186; felt and felt sheetings, \$1,098; vegetable oil, \$978; cinematographic films (used), \$972; miscellaneous electric machinery, \$914; flour n.o.p., \$716; electrical and generating machinery and power station equipment, \$816; grains n.o.p., \$765; boots and shoes (leather), \$761; machinery, \$760; confectionery and sweetmeats, \$683; machine belting, \$647.

BUSINESS CONDITIONS

During the period under review the general trade of Hongkong reached a high level, which can be attributed, firstly, to the colony's position as the most important channel through which goods could be forwarded to the territories under the jurisdiction of the Central Government of China, and, secondly, to the influx of well-to-do refugees into the colony from all parts of China.

However, with the recent loss of Canton and adjoining territories, trade with interior points is at a standstill. Steamer services continue to operate to the South China coast ports, but the volume of this business has been restricted owing to the fear of possible invasion of the territories served by these ports.

In view of prevailing conditions, it would appear that although it may be expected that the retail business of the colony will continue to flourish, sales of all products formerly in demand at interior points will undoubtedly fall off due to difficulties of transportation and to the diminished purchasing power of the general population, which has been brought about by the protracted hostilities and also by the depreciation of both national and provincial currencies to a point where purchasers are forced to play practically double the normal amount for imports.

ARGENTINE GRAIN ACREAGE, 1938

Mr. J. A. Strong, Canadian Trade Commissioner at Buenos Aires, writes that the third official estimate of the acreage seeded to wheat and other cereals this year was issued under date of November 22.

The third estimate places the area in wheat at 20,859,150 acres, or 226,300 acres more than the second estimate of October 21, 844,050 above the first estimate of September 16, and 1,639,712 more than in 1937. The third estimate is also 1,756,615 acres above the average for the last ten years and 2,978,352 acres above the average for the last five years.

The acreages in flax and other cereals, with the September 16, October 21, and 1937 estimates, respectively, within parentheses, are as follows: flax, 6,604,080 (6,646,990, 6,869,380, and 7,022,582); oats, 3,359,200 (3,335,850, 3,360,560, and 3,254,307); barley, 2,052,570 (2,050,930, 2,026,220, and 1,942,453); rye, 2,252,640 (2,050,930, 2,100,350, and 2,184,364); and birdseed, 118,313 (123,550, 118,608, and 113,691).

CANADA'S DOMESTIC EXPORTS TO THE UNITED STATES OF PRINCIPAL COMMODITIES AFFECTED BY THE CANADA-UNITED STATES TRADE AGREEMENT
EFFECTIVE FROM JANUARY 1, 1936; ALSO UNITED STATES TARIFF RATES IN FORCE, (MONTH OF NOVEMBER AND THE ELEVEN MONTHS ENDED
NOVEMBER 30, 1937 AND 1938)
(COMPILED BY THE EXTERNAL TRADE BRANCH, DOMINION BUREAU OF STATISTICS, AND THE FOREIGN TARIFFS DIVISION)

Commodities	Month of November				Eleven Months ended November				United States Tariff	
	1937		1938		1937		1938		1935	Canada-United States Trade Agreement (Jan. 1, 1936)
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value		
		\$		\$		\$		\$		
AGRICULTURAL AND VEGETABLE PRODUCTS										
Fruits—										
Apples, green or ripe.....	75	318	3,799	18,616	3,246	10,990	7,517	26,819	25c. per bu. 50 lbs.	15c. per bu. 50 lbs.
Strawberries, fresh.....	20				1,398,932	94,250	797,223	56,727	14c. per lb.	4c. per lb.
Grain products—										
Barley, shorts and middlings.....	759	1,434	111,521	88,209	1,453,189	2,169,322	254,525	202,587	10% ad val.	10% ad val.
Cereal foods, prepared, all kinds.....		7,509		7,127		64,353		73,535	20% ad val.	10% ad val.
Screenings.....	120,811	43,996	274,675	23,406	834,160	548,764	913,591	140,913	10% ad val.	10% ad val.
Hay.....	2,446	18,096	2,678	16,943	137,373	928,177	17,012	122,031	\$5 per ton (2,000 lbs.)	\$3 per ton (2,000 lbs.)
Maple sugar.....	92,476	17,463	129,565	22,562	3,402,248	500,636	7,433,694	1,189,459	6c. per lb.	4c. per lb.
Seeds—										
Clover seed, alfalfa.....	8,657	132,460	5,495	50,885	49,354	710,993	25,797	361,346	8c. per lb.	4c. per lb.
Clover seed, alsike.....	307	3,781			18,167	192,237	2,040	22,958	8c. per lb.	4c. per lb.
Grass seed.....	19,653	30,817	14,323	20,441	63,889	139,240	89,265	154,115	2c. per lb.	1c. per lb. (mainly timothy)
Vegetables—										
Certified seed potatoes.....	63,995	25,311	314,169	273,086	458,958	418,826	601,647	464,375	75c. per 100 lbs.	45c. per 100 lbs., Mar. 1 to Nov. 30, if certified seed; 60c. per 100 lbs., Dec. 1 to last day of Feb., if certified seed; 75c. per 100 lbs. on imports of certified seed in excess of 750,000 bu. during each twelve-month period, beginning Dec. 1, in any year.
Potatoes, n.o.p.....	4,007	2,097	32,758	19,728	347,703	251,245	176,096	90,958	75c. per 100 lbs.	75c. per 100 lbs.
Turnips.....	400,539	122,973	423,243	124,920	2,043,795	659,738	2,083,614	710,975	25c. per 100 lbs.	12c. per pt. gal. if aged in wooden containers for at least four years; \$5 per pt. gal. if otherwise.
Whiskey.....	596,404	2,357,818	246,515	1,225,514	4,710,775	18,176,521	2,180,806	9,238,260	\$5 per pt. gal.	
ANIMALS AND ANIMAL PRODUCTS										
Animals, living—										
Dairy cattle, n.o.p.—										
Weighting 175 to 700 lbs.....	27	916	6	210	148	5,680	75	2,854	24c. per lb., 175 to 700 lbs.	24c. per lb., 175 to 700 lbs.
Weighting over 700 lbs.....	861	57,050	825	53,549	5,994	381,563	6,542	422,143	3c. per lb., if over 700 lbs.	14c. per lb., if over 700 lbs.
										3c. per lb. if over 700 lbs. on imports in excess of 20,000 head during any calendar year.

Cattle, n.o.p.— Weighing less than 175 lbs.	2,752	49,209	2,688	49,716	96,363	1,438,807	46,317	712,847 2½c. per lb., if less than 175 lbs. 1½c. per lb., if less than 2½c. per lb., if less than 175 lbs. on imports in excess of 51,933 head during any calendar year.
Weighing 175 to 700 lbs.	4,035	92,573	767	17,042	27,448	676,001	3,815	86,605 2½c. per lb., if 175 to 700 lbs. 3c. per lb., if over 700 lbs.
Weighing over 700 lbs.	1,798	81,484	18,564	977,496	163,302	10,964,378	69,401	3,907,390 2c. per lb., if over 700 lbs. 3c. per lb., if over 700 lbs., on imports in excess of 155,789 head during any calendar year.
Horses, n.o.p.	487	53,360	312	34,435	10,034	1,279,167	5,246	654,951 \$30 per head, if valued at \$20 per head, if valued at not more than \$150; 20% ad val., if valued more than \$150.
Poultry, n.o.p.	203,788	143,698	21,386	16,198	1,153,252	729,150	280,153	190,454 8c. per lb., if chickens, ducks, geese, turkeys, and guineas. Free. 32,848 Free. 30,399 1c. per lb. 538,447 2c. per lb. 148,399 Free. 303,913 1c. per lb. 1,807,068 Free. 2,372 Free. 594,770 2c. per lb. 513,503 Free. 153,539 2c. per lb., if frozen, 3c. per lb., if frozen.
Fish, fresh and frozen—	5,713	5,268	2,370	2,300	47,761	56,980	27,056	Free. 30,399 1c. per lb. 538,447 2c. per lb. 148,399 Free. 303,913 1c. per lb. 1,807,068 Free. 2,372 Free. 594,770 2c. per lb. 513,503 Free. 153,539 2c. per lb., if frozen, 3c. per lb., if frozen.
Clams, fresh.	3,413	27,272	2,705	22,752	6,078	53,254	4,721	Free.
Salmon, fresh and frozen.	1,385	14,379	26,392	13,717	40,227	444,565	54,704	Free.
Halibut, fresh and frozen.	18,709	70,408	26,879	53,560	194,018	156,647	144,945	Free.
Herring, sea, fresh and frozen.	6,498	70,408	7,834	75,526	48,866	532,647	46,982	Free.
Salmon of lake trout, fresh and frozen.	1,480	31,612	911	19,472	104,324	2,277,239	98,278	Free.
Lobsters, fresh.	89	350	254	2,099	2,273	2,099	3,132	Free.
Oysters, fresh.	7,371	40,230	1,169	8,917	63,890	534,308	55,117	Free.
Salmon, fresh and frozen.	4,619	50,626	7,560	80,580	43,416	411,116	52,163	Free.
Smelts, fresh and frozen.	56	961	27	531	14,966	203,206	13,005	Free.
Swordfish, fresh and frozen.								153,539 2c. per lb., if frozen, 3c. per lb., if frozen.
Tallies, fresh and frozen.	68	415	155	989	4,515	32,913	7,982	Free.
Whitefish, fresh and frozen.	9,914	157,766	10,468	162,253	121,341	1,468,704	117,671	Free.
Fish, pickled, tinned, and smoked—								Free.
Alfalfa, pickled, tinned, and smoked.					15	44	622	Free.
Herring, sea, smoked.	844	3,893	178	1,802	7,156	32,623	6,262	Free.
Salmon, pickled.			264	3,063	6	110	2,306	Free.
Fish, canned.								Free.
Clams, canned.	32	344			60	544	294	Free.
Lobsters, canned.	460	26,884	106	5,300	5,254	309,966	4,642	Free.
Fur skins, undressed—								Free.
Beaver.	264	1,782	497	4,042	39,119	598,027	37,474	Free.
Mink.	364	5,730	6,646	47,660	62,677	920,324	81,902	Free.
Muskrat.	1,189	1,234	3,450	4,646	199,502	285,032	30,995	Free.
Wolf.	259	2,496	5	32	32,622	407,953	16,848	Free.
Leather.								Free.
Harness leather.		40				2,559		10% ad val.
Patent leather.		983		1,080		52,282		10% ad val.

CANADA'S DOMESTIC EXPORTS TO THE UNITED STATES OF PRINCIPAL COMMODITIES, Etc.—Continued

Commodities	Month of November				Eleven months ended November				United States Tariff	
	1937		1938		1937		1938		1935	Canada-United States Trade Agreement (Jan. 1, 1935)
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value		
Meats—		\$		\$		\$		\$		
Poultry, dressed or undressed.....Lb.	6,476	1,368	623	148	38,456	7,710	2,509	508 10c per lb.		6c. per lb., if chickens and guineas; 10c. per lb., if other poultry.
Milk products—										
Cheese.....Cwt.	2,020	35,001	1,354	25,390	46,312	708,542	17,077	299,235 7c. per lb., but not less than 25% ad val., if cheddar cheese in original loaves; 7c. per lb., but not less than 35% ad val. if other kinds of cheese.		3c. per lb., but not less than 25% ad val., if cheddar cheese in original loaves; 7c. per lb., but not less than 35% ad val. if other kinds of cheese.
Cream.....Gal.	9,672	17,941			103,378	180,931	5,096	11,153 56-6/10c. per gal.		35c. per gal. on imports in excess of 1,500,000 gals. during any calendar year.
Whale oil.....Gal.					530,644	148,469	457,274	144,196 5c. per gal.		2½c. per gal.
Wood, Wood Products and Paper										
Shingle bolts of pine or cedar.....Cord	89	458	5	24	758	4,326	152	785 Free.		Free.
Stave and other bolts, n.o.p.....Cord	411				1,116			5,041 10% ad val.		10% ad val.
Firewood.....Cord	8,774	48,222	9,280	47,888	57,702	301,126	53,295	303,820 Free.		Free.
Laths.....M.	17,368	77,222	20,811	78,550	230,718	939,384	146,993	482,735 Free.		Free.
Logs.....M ft.	21,798	259,302	15,138	153,846	111,798	1,399,204	131,270	1,476,771 Free.		Free.
Masts and spars.....						414		75 \$1 per M ft. b.m., if fir, spruce, pine, hemlock or larch; free, if other kinds.		50c. per M ft. b.m., if fir, spruce, pine, hemlock or larch; free, if other kinds.
Pickets.....M	2,993	26,731	2,950	18,784	33,308	248,671	31,538	223,922 Free.		Free.
Piling.....Lin. ft.	64,218	2,945	52,405	2,912	647,024	46,381	644,212	38,630 \$1 per M ft. b.m., if fir, spruce, pine, hemlock or larch; free, if other kinds.		50c. per M ft. b.m. if fir, spruce, pine, hemlock or larch; free, if other kinds.
Planks and boards—										
Flooring of hardwood.....M ft.	5	314	4	275	1,495	94,880	173	8,478 8% ad val.		4% ad val.
Planks and boards, softwood.....M ft.	29,386	814,400	43,497	1,070,302	456,787	12,000,315	385,801	9,587,205 \$1 per M ft. b.m. and 50c. per M ft. b.m. Revenue Tax if fir, spruce, pine, hemlock or larch; (a) free, if other kinds of wood, but subject to \$3 Revenue Tax per M ft. b.m.		\$3 per M ft. b.m. Revenue Tax if fir, spruce, pine, hemlock or larch; (a) free, if other kinds of wood, but subject to \$3 Revenue Tax per M ft. b.m.
Planks and boards, hardwood, n.o.p.....M ft.	4,107	162,203	3,856	154,649	50,107	2,040,512	26,780	1,082,284 Free, but subject to \$3 per M ft. b.m. Revenue Tax.		Free, but subject to \$3 per M ft. b.m. Revenue Tax.
Poles—										
Telegraph and telephone.....No.	34,445	109,312	39,885	123,845	389,825	1,192,123	310,195	987,806 Free.		Free.
Other poles.....No.	30	2,610		2,610	24,276	62,725	4,383	4,383 Free.		Free.
Posts, fence.....No.	28,215	2,572	17,007	1,950	733,749	62,725	555,619	48,524 Free.		Free.
Pulpwood.....Cord	144,160	1,214,828	61,143	513,609	1,381,451	10,787,144	1,223,354	10,016 42½c. per M ft. b.m. Revenue Tax if fir, spruce, pine, hemlock or larch; (a) free, if other kinds of wood, but subject to \$3 Revenue Tax per M ft. b.m.		\$1.50 per M ft. b.m. Revenue Tax if fir, spruce, pine, hemlock or larch; (a) free, if other kinds of wood, but subject to \$3 Revenue Tax per M ft. b.m.
Railroad ties.....No.	25,164	21,517	21,935	18,370	291,914	219,714	245,493	198,628 Free.		Free.
Shingles.....Square	144,681	400,447	12,047	37,029	2,109,694	5,983,380	1,809,555	4,904 23½c. per M ft. b.m.		Free.
Staves and headings.....		1,084		1,187		73,379		11,015 34% ad val., if headings; 13½% ad val. if headings.		Free, if staves; 34% ad val., if headings; 13½% ad val. if headings.

Timber, square, softwood	M ft.	95	3,506	269	3,871	1,538	39,599	1,133	22,926	\$1 per M ft. b.m., if fir, spruce, pine, hemlock or larch; free, if other kinds
Timber, square, hardwood	M ft.									
Wood pulp	Cwt.	988,021	2,462,190	1,028,441	2,364,174	18	30,841,088	4	222	Free
Paper—Newsprint	Cwt.	5,104,613	9,345,553	4,062,787	9,046,912	32,366,968	35,548,555	35,297,794	77,536,039	Free.
IRON AND IRON PRODUCTS										
Farm implements—										
Cultivators	No.	5	246			402	17,123	436	25,368	Free.
Drills	No.					715	86,493	560	78,804	Free.
Harrows and parts	No.		7,451		244		139,336		32,363	Free.
Harvesters and binders	No.					1,722	304,351	1,133	240,244	Free.
Hay rakes	No.		62		78	139	6,076	50	17,238	Free.
Mowers and reapers	No.	1	30,843	1	12,227	217	12,364	272	27,711	Free.
Ploughs and parts	No.					329	690,712	928	794,134	Free.
Reaper threshers	No.		68,119		11,813		241,247		313,092	Free.
Parts of farm implements, n.o.p.	No.		18,159	481	17,723	13,335	295,094	5,978	130,213	2c. per lb. on silicon content.
Ferro-silicon	Ton	909								1c. per lb. on manganese content; when containing 8% or more but not less than 30% of silicon.
Ferro-manganese and other ferro-alloys, n.o.p.	Ton	464	16,196	3,581	114,183	21,980	1,013,459	12,336	413,994	1c. per lb. on manganese content; when containing not less than 4% of carbon.
Skates	Pair	10,587	11,221	60,507	47,327	77,063	64,113	240,448	179,987	20% ad val.
NON-FERROUS METALS AND PRODUCTS										
Cobalt in ore	Cwt.	100	10,420			685	44,255	560	34,314	Free.
Cobalt, metallic	Lb.	5,176	7,854	19,548	28,406	5,176	7,834	80,779	118,601	Free.
Nickel in matte or speiss	Cwt.	16,173	291,114	8,753	157,554	140,916	2,535,820	78,973	1,421,314	Free.
Nickel in oxide	Cwt.	805	16,800	1,076	22,453	16,879	338,829	3,199	66,908	Free.
NON-METALLIC MINERALS AND PRODUCTS										
Abrastives, artificial, crude	Cwt.	152,144	397,380	73,627	180,199	1,861,647	4,893,000	935,780	2,552,239	Free.
Asbestos	Ton	9,036	445,139	5,093	320,379	89,309	4,822,392	48,815	2,740,612	Free.
Asbestos sand and waste	Ton	13,245	211,974	12,137	217,497	167,317	2,767,921	192,500	1,810,428	Free.
Feldspar and nepheline syenite	Ton	3,086	21,988	2,940	11,305	22,153	107,225	30,600	157,533	50c. per ton, if crude.
Gypsum, crude	Ton	88,081	105,956	67,129	82,767	686,585	636,482	797,944	797,255	Free.
Lime	Cwt.	23,487	9,652	11,909	4,781	180,850	76,606	113,803	43,763	Various.
Talc	Cwt.	13,414	6,793	12,014	6,398	138,575	69,422	117,911	60,939	35% ad val.
CHEMICALS AND ALLIED PRODUCTS										
Acetic acid	Cwt.	13,727	69,857	1,417	7,093	315,985	1,689,470	57,000	397,746	2c. per lb., if over 65%.
Cobalt oxides and cobalt salts	Lb.	3,249	4,825			100,569				10c. per lb., if oxides; 30% ad val., if salts.
Cyanamid	Cwt.	196,010	228,523	209,022	245,714	2,548,549	2,785,677	2,414,272	2,488,615	Free.
Sulphuric acid	Cwt.	2,536	1,653	1,633	1,016	30,176	18,950	22,672	13,549	Free.
MISCELLANEOUS COMMODITIES										
Organs	No.			2	16,344	8	16,261	11	51,048	35% ad val.
Total exports of above commodities			20,603,995		18,728,475		237,385,974		108,957,286	
Total domestic exports to United States*			31,288,499		35,554,371		441,908,675		320,619,313	
*Includes "Gold Bullion other than monetary"			2,817,000		6,576,395		101,326,704		67,611,818	

(a) Reduced rates not applicable to imports of Douglas fir or Western hemlock in any calendar year in excess of an aggregate quantity of 250,000,000 feet board measure.

UNITED STATES GRASS AND CLOVER SEED MARKET¹**R. G. C. SMITH, ASSISTANT TRADE COMMISSIONER****II****SWEET CLOVER**

The production of sweet clover is estimated to be one of the largest in recent years, being placed at 1,025,000 bushels (of 60 pounds), which compares with 954,000 bushels last year and 701,460 bushels for the 1931-35 average. However, some dealers consider this year's estimate to be over-optimistic, as inclement weather just before harvest caused considerable damage to fields destined for seed. Minnesota, which normally produces about one-half of the total sweet clover seed crop, is estimated to have a crop only 50 to 65 per cent of that of last year, but increased production in other areas is reported to have considerably offset this reduction.

PRICES AND DUTY

On October 11 prices to growers averaged \$3.90 per 100 pounds, compared with \$7.40 last year and \$4.40 for the 1932-36 average. Actually this price is the lowest since 1933, and although the market strengthened after the middle of October, recent reports indicate that it has fallen off again. Wholesale prices, f.o.b. St. Louis, Missouri, in less than carload lots, on October 14 were about \$6.75 per 100 pounds for best quality white blossom hulled seed and \$7 for yellow blossom.

The duty on sweet clover was reduced in 1936 to 2 cents per pound from 4 cents, where it had been fixed since June 17, 1930. It stands unchanged at 2 cents per pound under the new trade agreement.

IMPORTS

Prior to the increase in duty in 1930, imports of sweet clover were not separately classified and presumably the movement was small. In the years 1925-29 the domestic production averaged over 1,000,000 bushels. During 1930-35, although domestic production was considerably less, there were no imports of importance. However, following a good average production of 701,460 bushels in 1936 and with a lower duty, imports reached 4,554,200 pounds of white blossom and 964,600 pounds of yellow blossom seed for the agricultural year beginning July 1, 1936. Most of these imports were from Canada. Again in 1937, in face of the highest production since 1929, imports reached the unprecedented figure of 6,958,300 pounds of white blossom and 2,452,000 pounds of yellow blossom seed.

This trend seems to be continuing this year. Although the available statistics of imports since July 1 indicate a much smaller movement in imports, it is reported that several million pounds of Canadian seed have already been bought for shipment to the United States at lower prices than the domestic. This situation is due to some extent to the reluctance of the Minnesota growers to sell at the lower prices prevailing, and also to the superior quality of the Canadian seed. It is difficult to understand the sudden movement of sweet clover seed from Canada since 1936, even allowing for the reduced duty, since the last three crops have been well over average. Presumably there is a growing demand for sweet clover, which may be explained by the Soil Conservation Program.

While the early season appears to have offered a good outlet for Canadian seed, the fact remains that all indications point to ample domestic supplies,

¹ The agricultural year referred to throughout this report begins July 1.

even if the production does not exceed that of last year. There was practically no carry-over last year, whereas the new season opened with an unusually large supply of last year's seed. Further, last year's high prices for red clover may have induced some farmers to use sweet clover, while the reverse is the case this year. Under these circumstances it is difficult to see how imports for this year can equal the high figures of last year, unless Canadian shippers continue to undercut the already low United States prices.

CRESTED WHEAT AND BROME GRASS

No statistics are available covering these two grass seeds, but their use has been extending following the prolonged drought period. Crested wheat grass is principally produced in the Dakotas, Montana, and Oregon, the bulk of production being of the standard strain recommended by the Department of Agriculture. This year's crop is reported to be about 50 per cent greater than that of last year, which will offset a smaller production of brome grass seed. The latter is mostly produced in North Dakota, but a certain amount is supplied by Washington, California, and Oregon.

PRICES AND DUTY

In keeping with the generally lower level of the whole seed market, prices of both grasses are lower than last year's quotations. The shortage of brome grass production can be made up with increased supplies of crested wheat grass, so that a shortage of the former crop has not raised its price. Wholesale quotations on October 14, f.o.b. St. Louis, for less than carload lots, were about \$14.50 and \$24 per 100 pounds on brome and crested wheat grass seed respectively.

The duty on both grass seeds is 2 cents per pound. Under the new Canada-United States Trade Agreement it will be reduced to 1 cent per pound from January 1, 1939.

IMPORTS

A good percentage of the requirements of brome grass seed is supplied from Canada because of the superior quality of the Canadian product and because it can be obtained recleaned and free from noxious weeds. It is not a large crop in the United States but its use is growing. With the revival in the demand for it caused by successive drought years, the movement from Canada has been steadily increasing.

Crested wheat grass is also being used quite extensively since the drought years. The crop this year probably will be readily absorbed as it will offset the shortage of brome grass. Although the standard strain is generally in demand, some seed houses recognize the superiority of the Canadian Fairway strain and are recommending it. There would appear to be less reliance on imports of this seed than is the case with brome grass, since imports reached only 103,400 pounds (previous figures are not available) for the agricultural year beginning July 1, 1937.

On the other hand, imports of brome grass are quite substantial, those from Canada for the agricultural year 1937 reaching 934,000 pounds as compared with 768,400 pounds in 1936, 865,400 pounds in 1935 (classified as other seeds, but undoubtedly a good portion was brome), and 393,000 pounds in 1934. The movement from July 1 to October 15 this year was 206,600 pounds from Canada, which compares with 121,400 pounds for July 1 to October 31 last year.

Current imports of crested wheat grass would also indicate an interest in imports, in spite of a greater production. Up to October 15 imports reached 113,200 pounds as against 22,900 pounds up to October 31 last year.

CANADIAN BLUEGRASS

There is very little Canadian bluegrass seed produced in the United States, one estimate being 24,000 bushels. There is reported to be some production near Buffalo, and around St. Louis, Missouri, there is said to be a production of 60 per cent Canadian and 40 per cent Kentucky bluegrass. This year's crop of Kentucky bluegrass seed is somewhat below average, being estimated at 1,200,000 bushels (of 14 pounds) as compared with the record crop of 5,500,000 bushels in 1937 and 1,860,000 bushels for the 1931-35 average. As might be expected, there is an unusually large carry-over of last year's seed, which is estimated at about 1,750,000 bushels.

PRICES AND DUTY

On August 16, when most of the Kentucky seed had been sold by farmers, prices paid to growers averaged 52 cents per bushel as against 49 cents last year and 69 cents for the 1932-36 average. The wholesale price of Canadian bluegrass seed on October 11, f.o.b. New York, was about 16 cents per pound, in less than carload lots.

The duty prior to 1930 was 2 cents per pound, but from 1931 until 1935 was 5 cents. Under the Canada-United States Trade Agreement of 1935 the duty was reduced to $2\frac{1}{2}$ cents. It remains unchanged by the new trade agreement.

IMPORTS

The production of Kentucky bluegrass might be expected to affect indirectly the demand for Canadian bluegrass, although it does not directly compete with it. Low prices of Kentucky grass will naturally tend to extend its sale in those regions where the Canadian product is in demand, although in practice the latter's sale seems to be independent of the volume of production of the Kentucky seed. Because of its hardness the Canadian seed is preferred principally in the Atlantic New England states and in the coastal areas of New York.

During the period 1925-29 imports of the Canadian seed averaged 929,000 pounds. During the next five years the average was about 350,000 pounds. In 1936 imports dropped to 120,400 pounds, but in 1937 advanced to 180,800 pounds. The increase in 1937 took place in face of the record production of Kentucky seed in 1936.

This year there has arisen in Kentucky a slight demand for the Canadian seed in small lots since the Department of Agriculture are reported to be advising farmers to experiment with Canadian bluegrass. The quality of this year's Kentucky bluegrass is reported as fair to poor and very much under last year's high quality, and it is possible that the final outturn will be considerably under the estimate due to heavy losses in recleaning.

Thus, in spite of sufficient supplies of Kentucky seed, there is considerable interest this year in Canadian seed and there is every reason to believe imports will reach and probably pass those of last year.

WESTERN RYE GRASS

Production of western rye grass is estimated to be about 10,000,000 pounds this year, which is probably greater than last year, although it is generally considered to be under average.

PRICES AND DUTY

The price to growers in October was about \$4.50 per 100 pounds f.o.b. producing points in Oregon, where most of the seed is produced. Wholesale prices f.o.b. St. Louis, in less than carload lots, on October 14 were about \$6.25

per 100 pounds, which represented a considerable advance since the beginning of the month.

The duty on rye grass is 3 cents per pound. It will be reduced to 1½ cent on January 1, 1939, by reason of the extension to Canada of concessions under the United Kingdom-United States Trade Agreement.

IMPORTS

Canadian western rye grass is not greatly in demand and the movement in any one year does not appear to have ever been substantial. There is a good demand for perennial rye grass, which is supplied principally from Northern Ireland, the total trade reaching 1,242,900 pounds for the agricultural year beginning July 1, 1937, and 881,800 for 1936. Italian rye grass is also supplied from the Continent (principally Denmark and Northern Ireland) and New Zealand, but generally the volume is comparatively small. Total trade in the agricultural year 1937, however, reached 1,194,700 pounds, compared with the more usual figure of 39,700 pounds in 1936. With a good crop this year there seems to be little prospect of finding an outlet for any increased volume of Canadian seed, although there has been some interest shown.

BENT GRASS

Prior to 1930 annual imports of bent grass ranged between 250,000 pounds and 650,000 pounds, principally from Germany. Since 1931 the trade has been small, largest imports being 59,000 pounds in 1933. Imports amounted to 23,300 pounds in the agricultural year beginning July 1, 1937, and to 21,700 pounds for the previous year. New Zealand is the main source of supply at present. Canada ships only a few hundred pounds each year, although Canadian bent grass seed is regarded by some seed houses to be equal in quality to any imported.

The duty on bent grass is 40 cents per pound. Previous to 1930 it was 2 cents per pound. On January 1, 1939, it will be reduced to 20 cents per pound.

The domestic seed is produced in Oregon, and to a lesser extent in Washington. It is understood this year's crop is somewhat reduced. As a result prices are higher than last year, being \$52 per 100 pounds f.o.b. Minneapolis in October. Imported seed usually sells at a considerable premium over the domestic.

SUMMARY

It is difficult to estimate with any accuracy the probable market for field seeds at this time of year, particularly when the movement into the retailers' hands is slow in starting, as has been the case this year. Apart from alfalfa and brome grass, the statistical position is not particularly encouraging for imports. However, estimates of production at this time must be regarded as preliminary and there are many other factors having a bearing on imports.

This year's position is exactly the opposite to that of last year, when opening prices were high for most seeds and the outlook for imports, based on past experience and current factors, was encouraging. The spring demand turned out to be most disappointing and seed houses were caught with stocks bought at high prices. The result was that there were carry-overs of seeds which ordinarily would have been readily absorbed. This situation naturally affected the opening market this year as seed houses have been very slow in taking up their requirements, particularly in the face of probable excess clover seed production and, with the possible exception of alfalfa, no shortages of major importance discernible. Thus any developments favourable to the marketing of farm produce, or any indication of reductions in the first estimate of field seeds, should find the market this year responsive to advance, particularly as it cannot logically be expected to go much lower.

Reports recently received indicate that early snows in the western red clover and parts of the alfalfa-producing sections will materially affect the final outturn of seed. It is even suggested that the loss in the Idaho-Utah areas in red clover is as much as 50 per cent (Idaho averages about 13 per cent of total red clover seed production, Utah being of minor importance). In general prices have shown firmer tendencies in most seeds recently, and the clover seed prospects in particular have improved. While the alfalfa seed production is under average and probabilities point to a fairly good demand for imports, prices are still low compared to last year and undoubtedly the use of alfalfa will be adversely affected by the comparatively lower clover prices.

A factor that may have a considerable effect on the seed market is the recently announced 1939 AAA program. The program calls for a cut of 7,500,000 acres for wheat and a total acreage cut for all other crops of 5,000,000 acres. Participating farmers are only eligible for the benefits of the plan if the abandoned acreage is sown to soil-building crops. Thus if the plan is adhered to by a large number of farmers it is possible that the demand for field seeds to provide the abandoned crop acreage will materially improve the seed market.

MARKET FOR FEEDSTUFFS IN FRANCE

J. P. MANION, ASSISTANT COMMERCIAL ATTACHÉ

Paris, December 1, 1938.—In a report on the feedstuffs situation published in *Commercial Intelligence Journal* No. 1802 (August 13, 1938), page 244, it was estimated that the 1938 crop of green feeds in France would be in the neighbourhood of 28 per cent below that for 1937. The following crop figures, recently published, show that the shortage is not as great as estimated:—

Production of Green Feeds in France

	1938	1937	1936
	Figures in Metric Tons of 2,204 Pounds		
Annual green feeds.. . . .	11,697,560	11,634,546	14,274,226
Artificial prairie	9,319,440	11,530,296	11,807,931
Temporary prairie	1,442,881	2,003,721	1,950,766
Natural prairie	12,639,949	18,942,563	19,076,718
Total	35,099,810	44,111,126	47,109,641

The foregoing figures indicate that the 1938 crop is 20·6 per cent less than last year's and 25·7 per cent less than the large crop of 1936.

As pointed out in the previous report, however, cereal straw production is very high, there is a large excess of wheat, some of which will be denatured for use as feed, and certain quantities of corn will be imported from French colonies. Furthermore, the feed beet crop is the highest on record, 34,492,388 tons being harvested as against 32,170,498 in the previous year and 34,313,441 in 1936.

Similarly, the corn crop, with a yield of 18·56 quintals to the hectare, constituted a record of 636,834 tons as against 514,540 tons in 1937 and 531,238 tons in 1936. The rutabaga and turnip crop was about normal, at 3,406,362 tons (3,488,983 and 3,857,370 tons respectively in the preceding years), but the topinambour (artichoke) crop was also a record one—2,727,789 tons as against 2,051,580 tons in 1937 and 2,455,225 tons in 1936.

On account of high production of other forage crops, the decrease in green feedstuffs will have little effect on the situation as a whole, and it cannot be expected that France will import greater quantities than in the past.

PORTUGUESE MARKET CONDITIONS FOR FOODSTUFFS

A. B. MUDDIMAN, CANADIAN TRADE COMMISSIONER

(One kilo equals 2·2 pounds)

Milan, November 14, 1938.—Portugal is an agricultural country, although methods of cultivation are not modern. Wheat, barley, oats, and maize are grown in the elevated areas, while in the lowlands rice, olives, oranges, lemons, citrons, grapes, and almonds are abundantly produced. The Portuguese coastal waters are the source of large quantities of sardines and other fish. On this account the imports of foodstuffs into Portugal are limited to specialties. Imported food products do not reach 95 per cent of the population, which, according to the census of 1930 is 6,360,000 exclusive of a half-million in Madeira and the Azores. The principal markets for foreign food supplies are Lisbon and Oporto, an additional quantity being required for ships' stores.

Following are notes on the more important products entering into this trade:—

CANNED GOODS

The market for imported canned goods is controlled by the larger firms, who offer a complete range of products. Total imports in 1936 amounted to 19,756 kilos, of which the United Kingdom is credited with 6,970 kilos, followed by France with 4,460 kilos, and the United States with 2,839 kilos. Canada supplied 870 kilos.

In bottled and canned goods the bulk of the sales is made by firms that manufacture a range of similar goods, and agents are interested in representing such firms rather than those which specialize in an individual line.

CANNED FRUITS AND VEGETABLES

No statistics are available regarding the value or quantity of the domestic production in Portugal of canned fruits and vegetables.

Exports comprise preserved fruits, tomato paste, prepared vegetables and fruits, dried figs, crystallized fruits, and fruits in syrup. With the exception of Elvas plums, which are almost entirely exported to the United Kingdom, the bulk of the Portuguese production of canned fruits and vegetables is for the home and colonial market. The industry is subject to pure food regulations drawn up by the Superior Council of Hygiene in consultation with the Ministry of Agriculture.

CANNED LOBSTERS

As there is an abundance of fresh lobsters on the seacoast of Portugal and canned lobsters are a luxury beyond the purchasing power of the peasants in the interior, there is but little opportunity for sales of the latter.

CANNED SALMON

There is practically no market for canned salmon. Portugal has excellent domestic supplies of fresh fish and has her own fish-canning industry. Total imports of fish conserves, other than those from the Portuguese colonies of Cape Verde and Angola, amounted to only 8,256 kilos in 1936. The United Kingdom is credited with the bulk of the trade, 5,034 kilos, part of which was probably of Canadian origin. Japan supplied 1,225 kilos of canned pink, while Canada shipped 612 kilos of sockeye through a well-known English firm dealing in canned foods.

TOMATO PRODUCTS

No figures are available regarding the consumption of tomato puree in Portugal by the sardine-canning industry. Domestic production has increased considerably within recent years, being more than sufficient to meet the home demand and the requirements of the fish packers. The surplus, amounting to 672 tons in 1936, is exported. There is a very small market for tomato ketchup and tomato juice in bottles, neither of which is manufactured locally.

FRESH AND DRIED FRUITS

Imports in 1936 of fresh and dried fruits not otherwise specified were 542,550 kilos, of which 482,038 kilos were from the Portuguese colonies, particularly Saint Thomé, Príncipe, and Mozambique.

The bulk of the importation of fruit is in the dried form from countries like the United States.

APPLES

There are only two kinds of marketable apples grown in Portugal, and importation is practically negligible.

In June the "Espelho" apple comes on the market. It is not consumed locally to any great extent owing to its tart flavour, but is exported, chiefly to the United Kingdom, where it finds favour for cooking purposes. Its colour in June is green, gradually turning yellow and red as it ripens.

The "Reineta" is a summer-autumn variety, the flesh of which is crisp to farinaceous, according to age. It has a sweet flavour and is therefore well liked in Portugal. It is a larger apple than the "Espelho," red in colour when ripe, and keeps well into the winter months.

There is apparently no opportunity for the importation of apples into Portugal.

WHEAT AND FLOUR

The bread in general use in Portugal is wheat bread, but it is heavier and of closer texture than Canadian bread. Rye bread is also used. The wheat flour used for common wheat bread is a long-extraction type, milled from a wheat mixture in which there is a fair quantity of local durum of poor quality.

In accordance with a decree of August 14, 1937, a proportion of maize or rye flour is mixed with the wheat flour used for bread-making. For second-quality flour in Lisbon and Oporto the quantity of maize or rye flour required is 12.5 per cent; in Coimbra (except Castelo Branco) it is 11.1 per cent; and in districts where only one type of flour is available the percentage required is 12.

Following the tendency of the times, Portugal is desirous of being self-sufficient in wheat production.

MACARONI AND OTHER PASTES

The annual Portuguese consumption of alimentary pastes is approximately 11,000 short tons. Local production satisfies practically all home requirements; imports are of Italian origin.

The types of paste in demand are common paste of a fair quality and extra-fine glutinous pastes. Spaghetti is the preferred variety, and also pastes used in soups. Long pastes are imported in cases about 22 pounds, and the fine pastes in packets of about half a pound.

When flour other than wheat is used, or when wheat flours are mixed with others, this must be clearly shown on the labels. Naphtole is allowed as a colouring matter, but this also must be indicated on the label.

SALTED AND DRIED TRIPE

Tripe, both salted and dried, is imported. Imports of salted tripe in 1936 totalled 119,968 kilos, and of dried 93,904 kilos. Over 50 per cent of the salted variety comes from Denmark. Dried tripe comes mostly from Brazil.

CHEESE AND BUTTER

Imports of cheese into Portugal in 1936 totalled 162,316 kilos, of which over 90 per cent came from Holland. Sweden is credited with 14,000 kilos, Italy with 1,105 kilos (mostly Gorgonzola for the Italian colony), and the United Kingdom with 821 kilos.

There are possibilities for the sale of Canadian kraft cheese in small boxes, and for Canadian cheddar cheeses of orange colour weighing 5, 7, or 8 kilos but not more than 10 kilos. A poor type of this cheese is made in Madeira.

A certain amount of butter is also imported. In 1936 importations amounted to 154,409 kilos, chiefly from Holland and Lithuania. Holland controls the margarine trade, imports in 1936 totalling 221,687 kilos.

POWDERED MILK

Milk in powdered form is also imported. In 1936 imports amounted to 18,569 kilos, the United States with 7,154 kilos being the leading supplier. There were no imports from Canada.

BISCUITS

Biscuits, sweet or otherwise, are almost entirely supplied by the United Kingdom. The United States is second in importance, being credited with 544 kilos out of total imports of 14,881 kilos in 1936.

CHOCOLATE

A total of 15,900 kilos of chocolate were imported into Portugal in 1936, English, German, and Belgian products of the cheaper grades predominating. The United States supplied 505 kilos, and there may be an opportunity for Canadian firms to participate.

SWEETS, NOT SPECIFIED

In 1936 the total importation of sweets not specified amounted to 48,052 kilos. England, France, and Holland are the leading suppliers. Canada was credited with 70 kilos.

FOODSTUFFS, NOT SPECIFIED

Total imports under this heading in 1936 amounted to 108,446 kilos, of which Canada is credited with 2,538 kilos. In addition, groceries were supplied by the Dominion to the extent of 355 kilos.

BEVERAGES

One brand of Canadian whisky is well known on this market. There is only one important importer of liquor in Lisbon, but other firms that handle grocers' supplies also deal in imported spirits. Gin is produced locally; imported brands should be supplied in non-refillable bottles. Canadian whisky reaches this market via England.

When shipped in bottles, exporters should see that these are as light as possible, as excessive weight results in a heavy increase in import duties. Straw packing should be discarded in favour of special folding cartons.

FOREIGN TRADE OF PERU, JANUARY TO JUNE

S. G. MacDONALD, ACTING CANADIAN TRADE COMMISSIONER

(In 1937 the average rate of the Peruvian sol was 3·96 to the United States dollar. In the first nine months of 1938 it fluctuated considerably between 4·02 at the beginning of the year and 5·02 early in September. An average for the period would approximate 4·40 soles to the United States dollar. One sol equals 100 centavos. One metric ton equals 2,204 pounds; one kilo equals 2·2 pounds).

Lima, November 22, 1938.—Total imports into Peru during the first half of 1938, valued at 129,385,000 soles, were 28 per cent greater than in the corresponding period of the previous year; exports, with a total value of 144,521,000 soles, were 17 per cent lower. There was therefore a net reduction in the total trade of 0·4 per cent as compared with the corresponding period of 1937. Peru's favourable trade balance at the end of the half-year is normally important, but this year it was reduced to 15,100,000 soles from 72,000,000 soles at the end of June, 1937.

EXPORTS

Various factors, including the partial failure of the cotton crop, contributed to the important decline in volume and value of exports during the first half of 1938. Cotton exports fell from 29,836,611 kilos valued at 38,494,148 soles in the first half of 1937 to 16,882,951 kilos valued at 14,111,735 soles. In addition to the decline in the quantity of cotton exported, the fall in the market price was reflected in exports of Tanguis cotton, which totalled 15,558,805 kilos valued at 13,042,961 soles in the first half of 1938 as compared with 26,333,911 kilos valued at 34,464,197 soles in the same period of 1937. These figures indicate an average price of 83 centavos per kilo this year as compared with 1·30 soles in the same months last year.

Declines in other lines of agricultural exports are indicated by the following figures, the values within parentheses being for the first half of 1937: sugar, 8,629,397 soles (11,525,291 soles); wool, 2,194,758 soles (3,791,759 soles); alpaca, 3,310,550 soles (5,655,239 soles); cotton by-products, 115,168 soles (1,789,908 soles); coffee, 543,391 soles (765,047 soles); barbasco, 307,200 soles (515,721 soles).

Although reductions occurred in most mineral exports, they were not so marked as in agricultural products, as is indicated by the following figures: petroleum and derivatives, 58,415,502 soles (59,370,030 soles); copper bars, 24,918,537 soles (26,978,960 soles); lead concentrates, 3,234,136 soles (2,997,832 soles); silver concentrates, 1,584,309 soles (1,503,687 soles); raw lead, 1,471,292 soles (2,070,194 soles); electrolytic lead (bars), 2,245,102 soles (2,189,822 soles); vanadium concentrates, 621,768 soles (1,280,678 soles).

EXPORTS BY COUNTRIES

Exports to the United States, the United Kingdom, Germany, France, and Canada, among the leading purchasers, and to Italy and Japan, among the lesser but nevertheless important traders with Peru, declined substantially in the first half of 1938. Despite the reduction, the United States was still the most important market for Peruvian products, taking 25·7 per cent of total exports as compared with 16 per cent and 11·8 per cent for the United Kingdom and Germany, the next most important buyers. Canada's percentage was reduced from 7·5 to 5·7 for the comparative half-year periods of 1937 and 1938. Details of total exports to leading markets, together with percentages, for the half-years under comparison are shown in appended tables.

IMPORTS

As usual, machinery and vehicles were the chief items of import, the value for the first six months of 1938 being 32,118,862 soles, an increase of 11,532,644 soles over the figures for the first half of 1937. Values of other leading lines and comparative figures for the first half of 1937 were as follows: food products, 18,581,659 soles (16,790,285 soles); chemical products, 7,562,806 soles (5,102,128 soles); electric apparatus, 5,248,944 soles (5,093,265 soles); lumber, 5,716,507 soles (3,356,340 soles); steel and iron, 7,906,062 soles (6,662,137 soles); paints and oils, 6,917,115 soles (6,247,430 soles); woollen goods, 4,147,321 soles (2,929,147 soles); cotton goods, 9,489,056 soles (6,847,255 soles).

IMPORTS BY COUNTRIES

Imports from the United States increased by 34.3 per cent in value and accounted for 36.2 per cent of the total imports as compared with 34 per cent in the first half of 1937. Imports from the United Kingdom rose by only 3 per cent, but those from Germany advanced by 33.5 per cent, from Italy by 130 per cent, and from Japan by 53.4 per cent. Imports from the latter two countries, however, were but 2.4 per cent and 3.5 per cent respectively of the total. Imports from Canada declined slightly in percentage from 2.3 of the total to 2, but in value increased from 2,298,000 soles to 2,523,000 soles.

The competitive positions of leading nations in the foreign trade of Peru during the first six months of 1937 and 1938 are shown in the following tables:—

Country of Origin or Destination	Imports		Exports	
	January-June		January-June	
	Values in Thousands of Soles			
	1937	1938	1937	1938
Total	101,374	129,385	173,510	144,521
United States	34,745	46,882	42,135	37,180
United Kingdom	11,710	12,010	36,210	23,053
Belgium	2,267	2,930	4,368	5,871
France	2,028	3,762	14,934	10,229
Germany	19,370	25,955	23,826	17,141
Italy	1,380	3,180	1,408	239
Netherlands	1,723	2,261	2,030	752
Sweden	917	1,689	78	610
Norway	577	622	465	400
Spain	183	168	540	405
Czecho-Slovakia	815	1,407	.....	142
Argentina	9,377	8,513	5,715	13,613
Brazil	134	114	663	167
Chile	2,235	2,632	9,729	9,891
Ecuador	299	1,081	540	405
Aruba . . . . .	.....	.....	5,771	5,983
Canada	2,298	2,523	12,941	8,294
India	2,504	2,286	13	.....
Japan	3,014	4,637	1,969	306
Per cent of total—				
United States	34.0	36.2	24.2	25.7
United Kingdom	11.6	9.3	20.9	16.0
Belgium	2.2	2.3	2.5	4.0
France	2.0	2.9	8.6	7.0
Germany	19.2	20.1	13.7	11.8
Italy	1.3	2.4	0.8	0.2
Canada	2.3	2.0	7.5	5.7
Argentina	9.2	6.5	3.2	9.4
Chile	2.2	1.8	5.6	6.8
Japan	2.9	3.5	1.1	0.2
Aruba . . . . .	.....	.....	3.3	4.1

PORT MOVEMENT IN 1938

The statistical returns of the Peruvian Customs for the first half of the year show that Callao continues to be the principal port of import. Out of total imports valued at 129,385,000 soles in the January-June period of 1938,

Callao's share was 89,421,651 soles or 69 per cent. The other principal ports were as follows: Mollendo, 9,166,514 soles; Talara, 8,111,856 soles; Salaverry, 3,777,888 soles; Pisco, 3,509,694 soles; Iquitos (on the Amazon River), 3,444,197 soles; Paita, 2,668,333 soles; and Pimentel, 2,198,255 soles.

As a port of shipment Callao is closely rivalled by Talara, from which port petroleum and derivatives are exported. Of total exports valued at 144,521,000 soles in the first half of the year, Callao with 50,633,656 soles and Talara with 49,623,115 soles accounted for over two-thirds of the export trade. Other leading ports and the values of goods exported through them in the first half of the present year are as follows: Mollendo, 7,120,024 soles; Cabo Blanco, 6,173,516 soles; Chicama, 4,604,365 soles; Salaverry, 4,578,728 soles; Lobitos, 2,707,860 soles; Pisco, 2,561,351 soles; Cerro Azul, 2,555,601 soles; Huacho, 1,823,914 soles.

JANUARY-SEPTEMBER TRADE

Preliminary statistics of the Statistical Section of the Callao Customs indicate a total value of overseas trade for the first nine months of the year of 423,981,015 soles as compared with 446,137,262 soles in the same period last year. Customs duties were reduced to 36,123,501 soles from 37,570,587 soles in the first nine months of 1937. Exports totalled 1,697,460 metric tons valued at 234,756,414 soles as compared with 2,058,412 tons valued at 279,755,378 soles for the corresponding period of last year. Imports totalled 406,188 metric tons valued at 189,224,601 soles as compared with 412,656 tons to the value of 166,381,884 soles in the January-September period of 1937. The present year's imports have the highest value recorded in the past ten years.

FOREIGN TRADE OF IRAN IN 1936-37

HENRI TURCOT, CANADIAN TRADE COMMISSIONER

[80 rials (Rls.) equal £1 sterling]

Cairo, November 4, 1938.—The statistics of the foreign trade of Iran (Persia) for the fiscal year June 22, 1936, to June 21, 1937, have recently been published by the General Administration of Iranian Customs. They show that the total trade was valued at Rls.3,320,381,141, made up of Rls.1,073,417,108 for imports and Rls.2,246,964,033 for exports, of which Rls.1,557,926,370 represent the value of mineral oils exported by the Anglo-Iranian Oil Company. The corresponding figures for 1935-36 were Rls.2,985,421,983, Rls.1,029,430,292, Rls.1,955,991,691, and Rls.1,296,298,979.

IMPORTS

The principal goods imported into Iran in 1936-37 were: cotton cloth, Rls.127,821,000; woollen cloth, Rls.39,951,000; silk cloth, Rls.2,999,000; linen cloth, Rls.8,256,000; tea, Rls.96,126,000; sugar, Rls.84,550,000; automobiles, Rls.59,006,000; tires and inner tubes, Rls.19,389,000; iron, iron goods, and copper, Rls.132,440,000; cement, Rls.23,663,000; drugs and pharmaceutical specialties, Rls.19,639,000; timber and wooden articles, Rls.8,146,000; groceries, Rls.6,100,000; and leather and leather goods, Rls.6,037,000.

EXPORTS

Chief exports included: carpets, Rls.150,170,000; raw cotton, Rls.86,762,000; wool, Rls.64,403,000; almonds, Rls.44,128,000; rice, Rls.28,565,000; dried raisins, Rls.22,946,000; dates, Rls.8,554,000; other dried fruits, Rls.23,788,000; lamb-skins, Rls.51,293,000; gum Tragacanth, Rls.44,011,000; hides, Rls.16,367,000; opium, Rls.25,970,000; offal, Rls.29,375,000; live stock, Rls.24,427,000; silk in cocoons, Rls.5,491,000; and wheat, barley, and other cereals, Rls.25,155,000.

Russia was the main source of supply for imports, followed by Germany, British India, the United States, Great Britain, Japan, Sweden, Belgium, Czecho-Slovakia, Dutch India, France, Holland, Turkey.

Russia was also Iran's best customer, followed by Germany, the United States, Great Britain, British India, Japan, Turkey, Sweden, Czecho-Slovakia, Belgium, Holland, France.

TRADE WITH CANADA

According to the figures issued by the Dominion Bureau of Statistics, Canadian imports from and exports to Iran in the fiscal years ended March 31, 1937 and 1938, were as follows:—

Canada's Imports from Iran

	Year ended March 31	
	1937	1938
Dates	\$ 14,831	\$ 9,507
Other dried fruits	101	.....
Furs, undressed	1,725	.....
Carpets, oriental squares, etc.	137,876	137,389
Carpets, other	719	.....
Containers, n.o.p. (packages)	1,468	1,386
All other articles	118	100
Total	<u>\$156,838</u>	<u>\$148,382</u>

Canadian Exports to Iran

	Year ended March 31	
	1937	1938
Pneumatic tire casings	\$ 9,524	\$135,840
Inner tubes	2,860	12,415
Other rubber manufactures . . . . .	.....	675
Upper leather	41,556	3,146
Wood, manufactured . . . . .	.....	475
"Other" farm implements	486	.....
Electric apparatus	324	453
All other articles . . . . .	.....	500
Total	<u>\$ 54,750</u>	<u>\$153,504</u>

While the value of Canada's imports from Iran decreased by \$8,456 in the fiscal year ended March 31, 1938, as compared with the previous fiscal year, the Dominion's exports to that country advanced in value by \$98,754. This increase in exports is accounted for by heavier shipments of tires for motor vehicles. There was, however, a noteworthy decrease in sales of upper leather, owing to imports of patent leather having been prohibited entry into Iran for a considerable time.

The balance of trade, which was in favour of Iran to the extent of \$2,088 in the 1936-37 fiscal year, became favourable to Canada by \$5,122 in the last fiscal year.

TARIFF CHANGES AND CUSTOMS REGULATIONS

Ireland

FREE ENTRY UNDER LICENCE OF CANADIAN APPLES

Mr. James Cormack, Canadian Trade Commissioner in Dublin, cables that the Irish Government has announced that apples from the British Commonwealth will be admitted duty free under licence from January 1 to March 31. Previously under the United Kingdom-Ireland Trade Agreement quotas of raw apples of United Kingdom origin had been admitted into Ireland free of customs duty for the year beginning August 1, 1938, on the exporter obtaining a voucher

issued by the Department of Agriculture, Dublin, and the consignee in Ireland obtaining an import licence from the Revenue Commissioners, Dublin Castle. It is understood that free entry of Canadian apples into Ireland for the three months January 1 to March 31 next will also be subject to similar licence. The ordinary rate of duty on apples imported into Ireland is 1d. per pound, which rate remains in force as regards non-Empire apples.

Australia

TARIFF AMENDMENTS

With reference to the item in *Commercial Intelligence Journal* No. 1820 (December 17, 1938), page 1049, additional information has been received respecting amendments to the Australian customs tariff effective December 8, 1938. Some further changes affecting goods of interest to Canadian exporters are given below.

Canadian goods are accorded the British preferential rates. The general tariff applies to all non-British Empire countries except under the item for knitted piece-goods, for which item intermediate rates (as noted) apply to "most favoured nations," including Belgium, China, Czecho-Slovakia, France, Germany, Italy, Netherlands, Sweden, Switzerland, and some others, but not to Japan or the United States, which are under the general tariff for all items.

	Former Rates		New Rates	
	British Preferential	General	British Preferential	General
Asparagus tips preserved in airtight containers—				
Half pints and smallerper doz.	4s.	6s.	1s. 6d.	6s.
Pints and over half pintsper doz.	5s. 6d.	9s.	1s. 9d.	9s.
Quarts and over pintsper doz.	10s.	14s.	4s.	14s.
Exceeding a quartper gal.	3s.	4s. 6d.	1s.	4s. 6d.
Piece-goods, knitted or lock-stitched, tubular or otherwise, of any material except wholly of woolper lb.	2s.	4s.	1s. 6d.	4s.
or, if higher, ad val.	35%	55%	25%	55%
(Former rates to "most favoured nations", 4s. per lb. or 55% ad val., whichever higher; new rates 3s. 6d. per lb. or 42½%, whichever higher).				
Electroliers, gaseliers, chandeliers, pendants, bracketsad val.	35%	55%	35%	60%
Gas water heatersad val.	35%	55%	25%	60%
Other gas cooking and heating appliances, including gas rangesad val.	35%	55%	25%	47½%
Caseinead val.	35%	55%	20%	46½%
Elastic, knitted or lock-stitched, in tubular form, of the type used in the manufacture of corsets and foundation garmentsad val.	Free	15%	Free	20%
Writing and typewriting paper (plain), not including duplicating, in rolls less than 13 inches wide, or in sheets less than 16 inches long or 13 inches widead val.	40%	60%	30%	55%
Paper bags (not printed)per 112 lb.	12s.	14s.	8s.	11s.
or, if higher, ad val.	30%	40%	22½%	36½%
Abrasive paper, glass and flint.ad val.	30%	50%	22½%	50%
Stencil paper in packets or otherwisead val.	20%	37½%	15%	37½%
Carbon and similar copying papersad val.	20%	37½%	15%	42½%
Gummed stay cloth in rollsad val.	Free	15%	12½%	35%

New Zealand

TIME EXTENDED FOR SHIPMENT OF PRIVILEGED GOODS

With reference to notices in the last two issues of the *Commercial Intelligence Journal*, pages 1015 and 1050, concerning New Zealand licensing of imports, Mr. W. F. Bull, Canadian Trade Commissioner at Auckland, cables that the New Zealand Finance Minister has given a second ruling extending the time for

shipping exempted goods. The first ruling was to the effect that goods ordered before December 5, when not in abnormal quantities, were exempt from the requirement of import licence if the vessel carrying the goods sailed by December 31. The new ruling states that such goods are exempt from licence whether or not shipped before December 31.

Trinidad

TARIFF CHANGES IN CONSEQUENCE OF UNITED KINGDOM—UNITED STATES TRADE AGREEMENT

In consequence of the United Kingdom—United States Trade Agreement (see *Commercial Intelligence Journal* No. 1817: November 26, 1938), a resolution of December 2, passed by the Trinidad Legislative Council and at once effective, made the following alterations in duties, former rates being shown within parentheses:—

	British Preferential Tariff	General Tariff
Telegraph and telephone apparatus: wireless goods and apparatusad val.	10% (10%*)	20% (25%*)
Canned pilchardsper 100 lbs.	60c. (68c.*)	\$1.80 (\$2.04*)
Fresh fruits (other than limes and apples)ad val.	Free (Free)	5% (10%*)
Artificial silk hosieryper doz. pairs	30c. (30c.)	\$1.74 (\$2.10)
Natural silk hosieryper doz. pairs	\$1.20 (\$1.20)	\$3.36 (\$4.00)
Lardper lb.	3c. (3c.*)	11c. (12c.*)
Tobacco leaf, 25% or more moistureper lb.	95c. (90c.)	95c. (95c.)
Tobacco leaf, less than 25% moistureper lb.	\$1.30 (\$1.25)	\$1.30 (\$1.30)
Cigarettes manufactured from foreign grown tobacco	\$2.85 (\$2.85) (Reduced by 2c. per lb. for each 5% of Empire grown tobacco used in blend.)	\$3.20 (\$3.55)
Lumber, dressedper 1,000 ft.	\$1.00 (\$1.50*)	\$3.00 (\$4.00*)
Lumber, undressedper 1,000 ft.	\$1.00 (\$1.20*)	\$3.00 (\$3.60*)

* Plus surtax of 15% of duty.

The British preferential tariff applies to Canada and other British Empire countries and the general tariff to countries outside the British Empire.

Denmark

SOME IMPORT RESTRICTIONS REMOVED

A notification issued by the Danish Government provides that, effective November 1, 1938, raw tobacco and undressed hides and skins have been added to the list of goods admitted to Denmark without import permit. Fresh apples are to be accorded similar treatment from March 1 to July 31, 1939. These regulations are made under the Danish Import Control Law, enacted in 1932 and still in force in revised form. (See *Commercial Intelligence Journal* No. 1772: January 15, 1938, page 80; and No. 1806: September 10, 1938, page 450.)

Straits Settlements

QUOTAS ON FOREIGN TEXTILE GOODS

Mr. K. F. Noble, Assistant Canadian Trade Commissioner at Singapore, reports that regulations published in the *Straits Settlements Government Gazette Extraordinary* No. 99, of November 15, establish maximum import quotas for 1939 on outer garments of cotton and silk and underwear of cotton and of artificial silk for China, Japan, Netherlands India, and other countries. The quota allowed the United States comprises 1,464 dozen outer garments of cotton and artificial silk. Canada, as an Empire country, is not subject to these quota regulations.

FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING DEC. 19, 1938

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, December 19, 1938, and for the week ending Monday, December 12, 1938, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending Dec. 12	Nominal Quotations in Montreal Week ending Dec. 19	Official Bank Rate
Austria	Schilling	.1407	.....	.....	—
Belgium	Belga	.1001	\$.1700	\$.1700	2½
Bulgaria	Lev	.0072	.0124	.0125	6
Czecho-Slovakia	Koruna	.0296	.0345	.0345	3
Denmark	Krone	.2680	.2100	.2107	4
Finland	Markka	.0252	.0207	.0208	4
France	Franc	.0392	.0265	.0265	2½
Germany	Reichsmark	.2382	.4043	.4047	4
Great Britain	Pound	4.8666	4.7075	4.7182	2
Greece	Drachma	.0130	.0086	.0087	6
Holland	Guilder	.4020	.5483	.5485	2
Hungary	Pengo	.1749	.2986	.2989	4
		Unofficial	.1984	.1982	—
Italy	Lira	.0526	.0530	.0531	4½
Yugoslavia	Dinar	.0176	.0229	.0229	5
Norway	Krone	.2680	.2364	.2371	3½
Poland	Zloty	.1122	.1903	.1906	4½
Portugal	Escudo	.0442	.0427	.0428	4-4½
Roumania	Leu	.0060	.0074	.0074	3½
Spain	Peseta	.1930	.0502	.0489	5
Sweden	Krona	.2680	.2423	.2430	1½
Switzerland	Franc	.1930	.2281	.2283	1½
United States	Dollar	1.0000	1.0087	1.0093	1
Mexico	Peso	.4985	.2016	.2013	3
Cuba	Peso	1.0000	1.0080	1.0087	—
Guadeloupe	Franc	.0392	.0265	.0265	—
Jamaica	Pound	4.8666	4.7150	4.7283	—
Martinique	Franc	.0392	.0265	.0265	—
Other British West Indies	Dollar	1.0138	.9801	.9830	—
Argentina	Peso (Paper)	.4245	.3137	.3145	3½
		Unofficial	.2290	.2291	—
Brazil	Milreis (Paper)	.1196	.0592	.0590	—
British Guiana	Dollar	1.0138	.9801	.9830	—
Chile	Peso	.1217	.0523	.0523	4½
		Unofficial	.0404	.0404	—
Colombia	Peso	.9733	.5748	.5751	—
Peru	Sol	.2800	.2018	.2019	—
Venezuela	Bolivar	.1930	.3127	.3129	—
Uruguay	Peso	1.0342	.6196	.6208	—
South Africa	Pound	4.8666	4.6987	4.7124	3½
Egypt	Pound (100 Piastres)	4.9431	4.8218	4.8349	—
China (Shanghai)	Dollar	.....	.1601	.1626	—
Hongkong	Dollar	.....	.2939	.2946	3
India	Ruppee	.3650	.3512	.3524	3.29
Japan	Yen	.4985	.2742	.2751	—
Java	Guilder	.4020	.5484	.5487	—
Siam	Baht (Tical)	.4424	.4307	.4320	—
Straits Settlements	Dollar	.5678	.5472	.5487	—
Australia	Pound	4.8666	3.7636	3.9746	3
New Zealand	Pound	4.8666	3.7789	3.7897	4

The Dominion Bureau of Statistics has supplied the following note:—

Fluctuations of foreign exchanges were mostly narrow and trading uneventful during the week ended December 17. The British pound rose from \$4.7112 on the 13th to a high for the week of \$4.7229 on the 15th, but dropped back to \$4.7139 on the following day. With further intervention of the Equalization Fund, sterling then recovered to \$4.7183 by December 17, making a net gain of $\frac{7}{10}$ cent for the period. The French franc moved with sterling, rising from 2.65 cents to 2.66 cents between the 13th and 15th, closing at 2.65 cents. Almost daily engagements of gold from London for shipment to the United States were reported, the price hovering around \$35.10 per ounce (American funds). The premium on United States dollars was reduced from the high of 1½ per cent on December 15 to $\frac{1}{16}$ of 1 per cent on the 17th.

TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

Secretary, Board of Trade—

Saint John, N.B.
Halifax, N.S.
Quebec, P.Q.
Montreal, P.Q.
Toronto, Ont.
Chatham, Ont.

Kitchener, Ont.
Brantford, Ont.
Stratford, Ont.
Woodstock, Ont.
St. Mary's, Ont.
Portage la Prairie, Man.

St. Boniface, Man.
Winnipeg, Man.
Vancouver, B.C.
New Westminster, B.C.

Secretary, Chamber of Commerce—

Sherbrooke, P.Q.
Kingston, Ont.
Oshawa, Ont.
Belleville, Ont.

Peterborough, Ont.
London, Ont.
St. Catharines, Ont.
Hamilton, Ont.

Victoria, B.C.
Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.—

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

Secretary, Canadian Manufacturers Association—

Toronto, Ont.
Montreal, P.Q.

Winnipeg, Man.
Edmonton, Alta.

Vancouver, B.C.
Victoria, B.C.

Director, Trade Extension, Victoria, B.C.

Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.

Commodity	No.	Location of Inquirer	Purchase or Agency
Foodstuffs and Feedstuffs—			
Apples.....	614	New York City, New York	Purchase and Agency.
Vegetables and Fruit (Canned) ..	615	Lisbon, Portugal.....	Agency.
Hay.....	616	New York City, New York	Purchase and Agency.
Miscellaneous—			
Dolls.....	617	Glasgow, Scotland.....	Purchase.
Dolls and Toys.....	618	Glasgow, Scotland.....	Agency.
Skates.....	619	Glasgow, Scotland.....	Agency.
Coat Hangers (Wooden).....	620	Glasgow, Scotland.....	Agency.
Patent Leather.....	621	Alexandria, Egypt.....	Agency.
Bolts, Nuts, and Screws.....	622	Birmingham, England....	Purchase.
Horse-shoe Nails.....	623	Nicosia, Cyprus.....	Agency.
Clocks, Clock Movements, and Watches.....	624	Glasgow, Scotland.....	Purchase.
Domestic Electrical Accessories and Novelties.....	625	Glasgow, Scotland.....	Agency.
Electric Motors.....	626	Lisbon, Portugal.....	Agency.
Railway Supplies.....	627	Lisbon, Portugal.....	Agency.
Automatic Coal Stokers.....	628	Edinburgh, Scotland.....	Agency.
Sluice Valves for Asbestos Cement Pressure Pipes.....	629	Cape Town, South Africa..	Purchase.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Saint John

To Liverpool.—Montclare, Dec. 30 and Jan. 27; Duchess of York, Jan. 6; Duchess of Atholl, Jan. 13; Duchess of Bedford, Jan. 20; Montrose, Feb. 3; Duchess of Richmond, Feb. 10—all Canadian Pacific.

To London.—Beaverford, Dec. 29; Beaverburn, Jan. 5; Beaverbrae, Jan. 12; Beaverhill, Jan. 19; Beaverdale, Jan. 26—all Canadian Pacific.

To Manchester.—Manchester Port, Dec. 29; Manchester Commerce, Jan. 5; Manchester Progress, Jan. 12; Manchester Citizen, Jan. 19; Manchester City, Jan. 26; Manchester Division, Feb. 2—all Manchester Line.

To Avonmouth, Cardiff and Swansea.—Dorelian, Dec. 31; Dakotian, Feb. 2—both Cunard-Donaldson and Dominion Lines.

To Glasgow.—Delilian, Jan. 7; Norwegian, Jan. 21; Sulairia, Feb. 4—all Donaldson-Atlantic Line.

To Newcastle and Leith.—Cairnross, Dec. 27; Cairnvalona, Jan. 3; Cairnglen (calls at Dundee), Jan. 10; Cairnesk, Jan. 24; Cairnmona, Jan. 31—all Cairn-Thomson Line.

To Dublin and Belfast.—Melmore Head, Head Line, Jan. 10 (cargo accepted for Cork and Londonderry).

To Hamburg.—Beaverford, Dec. 29; Beaverdale, Jan. 26—both Canadian Pacific.

To Antwerp.—Beaverhill, Jan. 19; Beaverburn, Feb. 16—both Canadian Pacific; Hada County (also calls at Havre), County Line, Dec. 27.

To Marseilles, Genoa, Leghorn, Naples, Messina, Palermo, Gibraltar and Lisbon.—Capo Lena, Dec. 31; Capo Olmo, Jan. 18—both Capo Line (will also call at Cadiz and/or Seville and/or Casablanca if sufficient cargo offers).

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Nelson, Jan. 4; Lady Hawkins, Jan. 18; Lady Drake, Feb. 1—all Canadian National; a steamer, Ocean Dominion S.S. Corp., Jan. 6 and 20 (does not call at Nevis or Montserrat).

To Kingston and Jamaican Outports.—San Jose, Dec. 31; Metapan, Jan. 14; Esparta, Jan. 28—all United Fruit Co.

To Brisbane, Sydney, Melbourne and Adelaide.—Kaikoura, Dec. 30; Port Nicholson, Jan. 30—both Montreal Australia New Zealand Line (will also call at Geelong).

To Auckland, Wellington, Lyttelton and Dunedin.—Kaimata, Jan. 7; Port Halifax (also calls at Bluff), Jan. 31—both Montreal Australia New Zealand Line.

To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Madras, Rangoon, Calcutta and Singapore.—City of Wellington, Dec. 27; City of Mobile, Jan. 14; a steamer, Jan. 29—all Canada-India Service.

To Cape Town, Port Elizabeth, East London and Durban.—Mattawin (also calls at Free-town, Lourenco Marques and Beira), Dec. 31; North Cornwall, Jan. 9; Daldorch, Jan. 17; a steamer (calls at Freetown, Lourenco Marques and Beira), Jan. 31—all Elder Dempster Lines Ltd.

From Halifax

To Liverpool.—Montclare, Dec. 31 and Jan. 28; Duchess of York, Jan. 7; Duchess of Atholl, Jan. 14; Duchess of Bedford, Jan. 21; Montrose, Feb. 4—all Canadian Pacific; Newfoundland, Jan. 24; Nova Scotia, Feb. 11—both Furness Line; Manchester Brigade, Dec. 29; Manchester Exporter, Jan. 14—both Manchester Line.

To London.—Beaverford, Dec. 30; Beaverburn, Jan. 6; Beaverbrae, Jan. 13; Beaverhill, Jan. 20; Beaverdale, Jan. 27—all Canadian Pacific; Alaunia, Dec. 31; Ascania, Jan. 14; Ausonia, Jan. 21; Auranis, Feb. 4—all Cunard-White Star Line.

To Manchester.—Manchester Port, Dec. 31; Manchester Commerce, Jan. 7; Manchester Progress, Jan. 14; Manchester Citizen, Jan. 21; Manchester City, Jan. 28; Manchester Division, Feb. 4—all Manchester Line.

To Newcastle and Leith.—Cairnross, Dec. 29; Cairnvalona, Jan. 5; Cairnglen (also calls at Dundee), Jan. 12; Cairnesk, Jan. 26; Cairnmona, Feb. 2—all Cairn-Thomson Line; Gitano, Dec. 27; Consuelo, Jan. 11; Bassano, Jan. 28—all Ellerman's Wilson Line (do not call at Leith).

To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.—Boston City, Jan. 11; Montreal City, Jan. 23; New York City, Feb. 11—all Bristol City and Dominion Lines; Dorelian, Jan. 4; Dakotian, Feb. 4—both Cunard-Donaldson and Dominion Lines.

To Aberdeen and Hull.—Gitano, Dec. 27; Consuelo, Jan. 11; Bassano, Jan. 28—all Ellerman's Wilson Line.

To Glasgow.—Delilian, Jan. 10; Norwegian, Jan. 24; Sulairia, Feb. 7—all Donaldson-Atlantic Line.

To Copenhagen and Gdynia.—Batory, Gdynia-American Line, Jan. 21.

To Gothenburg.—Braheholm (also calls at other Scandinavian ports), Swedish-America-Mexico Line, Dec. 31; Drottningholm, Swedish-American Line, Jan. 23.

To Antwerp.—Beaverhill, Jan. 20; Beaverburn, Feb. 17—both Canadian Pacific.

To Hamburg.—Beaverford, Dec. 30; Beavertale, Jan. 27—both Canadian Pacific.

To St. John's, Nfld.—Belle Isle, Dec. 26, Jan. 9 and 23 (also calls at St. Pierre); Magnahild, Dec. 29, Jan. 12 and 26 (also calls at St. Pierre and Newfoundland outports)—both Newfoundland-Canada SS. Ltd.; Fort Amherst, Furness-Red Cross Line, Jan. 2, 16 and 30 (also calls at St. Pierre); Portia, Newfoundland Ry. and SS. Co., Jan. 4 and 18; Newfoundland, Jan. 24; Nova Scotia, Feb. 11—both Furness Line.

To Hamilton, Nassau, Kingston and Belize.—Cavelier (calls at Kingston only), Dec. 29; Lady Somers, Jan. 5; Cathcart (calls at Kingston only), Jan. 13; Lady Rodney, Jan. 19—all Canadian National.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Drake, Dec. 29; Lady Nelson, Jan. 12 Lady Hawkins, Jan. 26—all Canadian National; a steamer, Ocean Dominion SS. Corp., Dec. 27, Jan. 9 and 23 (do not call at Nevis or Montserrat).

To Puerto Rico, Barbados, Trinidad and Demerara.—Chomedy, Jan. 14; Colborne, Jan. 28—both Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To Santiago (Cuba) and Kingston (Jamaica).—Lillemor, Dec. 28 and Jan. 25; Kirsten B, Jan. 11; Lillgunvor, Feb. 8—all Pickford & Black Ltd. (also call at Jamaican outports as cargo offers).

To Brisbane, Sydney, Melbourne and Adelaide.—Port Nicholson, Jan. 17; Kaipara, Feb. 15—both Montreal Australasia New Zealand Line (will also call at Geelong).

To Auckland, Wellington, Lyttelton and Dunedin.—City of Glasgow (also calls at Timaru and Bluff), Dec. 30; Kaimata, Jan. 21—both Montreal Australasia New Zealand Line.

To Far East Ports.—Silverash, Silver Line, Jan. 9; Cingalese Prince, Furness-Prince Line, Jan. 21.

From Vancouver

To Yokohama, Kobe and Osaka.—Hie Maru, Jan. 24; Heian Maru, Feb. 18—both Nippon Yusen Kaisha.

To Yokohama, Kobe, Shanghai, Hongkong and Manila.—Empress of Canada (calls at Honolulu), Jan. 7; Empress of Russia (calls at Nagasaki), Jan. 21; Empress of Japan (calls at Honolulu), Feb. 18; Empress of Asia (calls at Nagasaki), March 4—all Canadian Pacific; Tyndareus, Jan. 19; Ixion, Feb. 10—both Blue Funnel Line (call at Miike but not at Manila).

To Shanghai.—King James, North Pacific Shipping Co. Ltd., about Jan. 21.

To Tsingtao.—Hartington, North Pacific Shipping Co. Ltd., about Jan. 25.

To Taku Bar.—Forest, North Pacific Shipping Co. Ltd., February.

To Honolulu, Suva, Auckland and Sydney.—Aorangi, Jan. 18; Niagara, Feb. 15—both Canadian-Australasian Line.

To Manila, Iloilo, Cebu, Soerabaya, Samarang, Batavia, Colombo and Bombay.—Bengkalis (calls at Saigon, Singapore and Persian Gulf ports, also at Port Swettenham, Belawan Deli and Penang if cargo offers), Jan. 1; Salawati (calls at Belawan Deli, also at Singapore, Port Swettenham and Penang if cargo offers), Jan. 24; Hoegh Silverstar (calls at Saigon, Singapore and Persian Gulf ports, also at Port Swettenham, Belawan Deli and Penang if cargo offers), Feb. 1—all Silver-Java Pacific Line.

To Papeete, Auckland, Wellington and Sydney.—Tolten (also calls at Melbourne and Lyttelton), Canadian-Australasian Line, Jan. 9

To Brisbane, Sydney, Melbourne and Adelaide.—Anten, Jan. 25; Bullaren, Feb. 26—both Empire Shipping Co. Ltd.

To London, Liverpool and Rotterdam.—Lochavon (also calls at Glasgow), Jan. 7; Lochkatrine, Jan. 21; Lochmonar (also calls at Glasgow), Feb. 4; Drecht dyk, Feb. 18—all North Pacific Coast Line (will call at Southampton if inducements offer).

To Antwerp, Hamburg and Bremen.—Tacoma, Jan. 1; Portland, Jan. 9; Vancouver, Jan. 30—all Hamburg-American Line; Schwaben, Jan. 18; Weser, Feb. 12—both North German Lloyd Line.

To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.—San Diego, Jan. 16; Barfleur, Jan. 16—both Empire Shipping Co. Ltd.

To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.—Leme, Jan. 2; Fella, Jan. 29; Rialto, Feb. 25—all Empire Shipping Co. Ltd.

To Cape Town, Port Elizabeth, Durban and Lourenco Marques.—Madoera, Jan. 6; Silverbelle, Feb. 5—both Silver-Java Pacific Line (call at Beira, East London and Calcutta, will also call at Colombo and Madras if sufficient cargo offers); Hope Crown, end of December; Jhelum, about Feb. 1—both North Pacific Shipping Co. Ltd.

To Port of Spain (Trinidad) and Bridgetown (Barbados).—A steamer, Canadian Transport Co., January.

To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.—Brandanger, Dec. 27; Hardanger, Jan. 27—both Empire Shipping Co. Ltd. (will call at West Coast ports if sufficient cargo offered).

Note.—Firms who desire information concerning ocean and mail services may have their names placed on the mailing list of the Post Office Weekly Bulletin by applying to the Post Office Department.

CONDENSED LIST OF PUBLICATIONS ISSUED BY THE DEPARTMENT OF TRADE AND COMMERCE

Applications for publications in this list, together with remittances therefor, should be addressed to the King's Printer, Government Printing Bureau, Ottawa, marked "Attention Chief Clerk of Distribution."

GENERAL

Annual Report of the Department of Trade and Commerce.—A review of the salient features of Canada's export and import trade and a summary of the activities of each of its Branches, including the Commercial Intelligence Service; Foreign Tariffs Division; Dominion Bureau of Statistics; Board of Grain Commissioners; Weights and Measures Inspection Service; Electricity and Gas Inspection Services; Publicity; Government Motion Picture Bureau; Exhibition Commission; Steamship Subsidies; Precious Metals Marking Inspection; also a statement of Revenue and Expenditure. (Price 25 cents.)

Annual Report of the Board of Grain Commissioners.—The administration of the Canada Grain Act during the calendar year, including reports of such officers as the Registrar, Chief Inspector, Chief Weighmaster and General Manager of the Canadian Government Elevators, prepared in accordance with Section 23 of the Act. (Price 25 cents.)

Annual Report of Electricity and Gas Inspection Services.—A summary of the work of these services with statistics of revenue and expenditure, as also statement showing meters, electrical energy generated for export, and lists of companies registered under the Electricity Inspection Act. (Price 25 cents.)

Annual Report of Dominion Grain Research Laboratory.—Details of investigations carried out in the Laboratory relating to qualities of Canadian wheat; also investigations on inquiries to further the sale of Canadian wheat and flour; milling and baking characteristics of the last crop; various forms of co-operation with Universities, Experimental Farms and other Government institutions, producers, milling and grain organizations in Canada and abroad; investigations relating to grading system, etc. (Price 10 cents.)

Catalogue of Motion Pictures.—List of all films available in the Government Motion Picture Bureau, with title and brief description. It is in loose leaf form, in order that revision may be made from year to year. (Price 25 cents.)

List of Grain Elevators.—Details of all Grain Elevators in Western and Eastern Divisions, also licensed grain commission merchants, track buyers of grain and grain dealers, and summary of grain loading platforms in Western Division. (Price 50 cents.)

PUBLICATIONS OF THE COMMERCIAL INTELLIGENCE SERVICE

Commercial Intelligence Journal.—Published weekly in English and French, containing reports of Trade Commissioners and other commercial information. The annual subscription in Canada is \$1 and outside Canada, \$3.50.

Publications of the Commercial Intelligence Service are compiled with a view to furnishing Canadian exporters with information respecting the possibilities for the sale of Canadian goods abroad, the nature of the competition to be encountered, Customs requirements, etc., and are not intended for general distribution. The publications available include leaflets giving Invoice Requirements and a series on Points for Exporters, both covering countries included in the territories assigned to Trade Commissioners.

From time to time special reports are issued separately, which subscribers to the Commercial Intelligence Journal are entitled to receive free of charge. In all other cases their distribution is controlled by the King's Printer, who fixes a price therefor.

PUBLICATIONS OF THE DOMINION BUREAU OF STATISTICS

The following is an abbreviated list of publications of the Dominion Bureau of Statistics:—

Census of Canada.

Miscellaneous Statistics respecting the following: Business; Education; Employment; Finance (Provincial and Municipal); Justice; Transportation, including railways and tramways, express, telegraphs, telephones, water, etc.; Production, including agriculture, furs, fisheries, forestry, mining, construction and manufactures; Vital: births, deaths, marriages, divorces.

Canada, 1937. (Price 25 cents.)

Canada Year Book. (Price \$1.50.)

Report of the Dominion Statistician, Annual. (Price 10 cents.)

Trade (External), (Imports and Exports)—Annual Reports: Fiscal Year (price \$3), **Calendar Year** (price 50 cents); **Quarterly Report** (price \$2 per annum); **Monthly Report** (price \$1 per annum).

Trade (Internal), Prices, cost of living, capital movements, etc. (Price 50 cents.)

Monthly Review of Business Statistics. (Price \$1 per annum.)

COMMERCIAL INTELLIGENCE SERVICE

L. D. WILGRESS, *Director*

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Melbourne: FREDERICK PALMER. Address for letters—Box 196C, G.P.O. Office—Safe Deposit Office Building. (Territory includes States of Victoria, South Australia, Western Australia, and Tasmania.) *Cable address, Canadian.*

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London: J. H. ENGLISH, Trade Commissioner, Canada House, Trafalgar Square, S.W.1. (Territory includes Home Counties, Southeastern Counties, and East Anglia.) *Cable address, Sleighing, London.*

London: W. B. GORNALL, Fruit Trade Commissioner, Aldine House, Bedford Street, Strand, W.C.2. *Cable address, Canfrucum.* (Territory—for fresh fruit only—includes United Kingdom, Norway, Denmark, Sweden, France, Holland, Belgium, and Germany.)

London: W. A. WILSON, Animal Products Trade Commissioner, Canada House, Trafalgar Square, S.W.1. *Cable address, Agrilson.*

Liverpool: ACTING TRADE COMMISSIONER, Martins Bank Building, Water Street. (Territory includes North of England, Lincolnshire, North Midlands, and North Wales.) *Cable address, Canadian.*

Bristol: E. L. MCCOLL, Northcliffe House, Colston Avenue. (Territory includes West of England, South Wales, and South Midlands.) *Cable address, Canadian.*

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Note.—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.

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No. 1822



Fleet of Coal Wagons made from Douglas Fir by the Cambrian
Wagon Works Ltd., Cardiff, Wales

Courtesy Western Mail, Cardiff

ISSUED BY AUTHORITY OF
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE
JAMES G. PARMELEE, DEPUTY MINISTER



CONTENTS

	Page
Mr. Bissett to Visit Puerto Rico and the Dominican Republic	1097
New Vancouver-Australia Steamship Service	1097
Canadian Rubber Boots in the West of England	1097
British Land Fertility Scheme	1099
New Regulations relating to the United Kingdom Hosiery Trade	1099
Australian Wheat and Flour	1100
Market for Onions in Jamaica	1101
Summary of the Trade of Canada: November	1103
The British West African Market:	
III. Imported Commodities	1104
Portuguese Pulp and Paper Requirements	1111
Foreign Trade of Turkey, January to June	1114
Coal Markets in Peru and Chile	1116
Foreign Trade of Bolivia in 1937	1119
British Trade Commissioners in Canada	1121
Australian Motor Vehicle Import Quotas for 1939-40	1121
New Zealand Tariff Decisions	1122
Foreign Exchange Quotations	1123
Trade Inquiries for Canadian Products	1124
Proposed Sailings from Canadian Ports	1125
Commercial Intelligence Service	1127

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Vol. LIX

Ottawa, December 31, 1938

No. 1822

MR. BISSETT TO VISIT PUERTO RICO AND THE DOMINICAN REPUBLIC

Mr. C. S. Bissett, Canadian Trade Commissioner at Havana, Cuba, whose territory includes Puerto Rico and the Dominican Republic, plans to leave about January 7 on a visit to the latter two countries in the interests of Canadian trade.

Canadian firms wishing to have Mr. Bissett conduct investigations on their behalf or perform other services for them in Puerto Rico or the Dominican Republic should communicate with him at once by air mail at Apartado 1945, Havana, Cuba.

NEW VANCOUVER-AUSTRALIA STEAMSHIP SERVICE

Mr. L. M. Cosgrave, Canadian Trade Commissioner at Sydney, Australia, has informed the Department of Trade and Commerce that arrangements have now been completed for the establishment of a direct service from Vancouver to Northern Queensland ports, namely, Rockhampton, Townsville, and Cairns, and to include New Guinea and Papua, where cargo offers, and also the Solomon Islands, New Hebrides, and New Caledonia. In addition, a direct service will operate from Vancouver to Samoa, the Friendly Islands, and Fiji.

This service will be established by the Norwegian company, Aktieselskabet Thor Dahl (Sandefjord, Norway), with two new ships specially constructed for this trade.

It is understood that a monthly service will be available, commencing about the middle of January, 1939. Full information with regard thereto may be obtained from the Vancouver agents, the Empire Shipping Company, Limited, Vancouver, B.C. The details of this service will be included in the usual sailings list of the *Commercial Intelligence Journal* when they have been received.

CANADIAN RUBBER BOOTS IN THE WEST OF ENGLAND

L. H. AUSMAN, ASSISTANT TRADE COMMISSIONER

Bristol, December 6, 1938.—Although there are several manufacturers of rubber boots in the United Kingdom, imports of this product are extensive. Canada supplying by far the greater volume.

The following figures of imports, compiled by the Customs and Excise Department, include boots and overshoes manufactured wholly or partly of rubber, balata, or gutta-percha and which are made to cover the ankle, but they do not include rubber-soled canvas running or tennis shoes, which are

classified separately; figures for individual countries in 1937 are not available:—

Imports into the United Kingdom

	1932	1933	1934	1935	1936	1937
			Figures in Dozen Pairs			
Canada	69,866	125,111	98,266	115,883	213,923	279,319
Hongkong. . . . .	.....	2	511	7,756	16,228	.....
Czecho-Slovakia.	13,236	50	4	2	2,635	.....
Sweden	5,578	3,430	981	3,155	1,411	.....
Japan.	170,405	85,598	1,185	283	1,047	.....
United States	837	438	369	324	387	.....
Germany.	5,055	79	3,557	2	304	.....
France.	561	142	1	4	.....	.....
Straits Settlements	576	32,521	2,021	.....	.....	.....
Other countries.	4,587	492	356	.....	37	26,463
Total.	270,701	247,863	107,251	127,409	235,972	305,782

EFFECT OF CHANGES IN CUSTOMS DUTIES

In 1932 Japan supplied 63 per cent of the total imports, but this figure was reduced considerably in 1933, and since then imports from that source have been practically negligible. Empire countries, principally Canada and Hongkong, have benefited by this decline, which is attributable to the following changes in duties since 1932:—

Period	Rate of Duty
From March 1, 1932, to April 25, 1932	10 per cent ad valorem
From April 26, 1932, to October 20, 1932	20 per cent ad valorem
From October 21, 1932, to May 1, 1933	20 per cent ad valorem plus 3d. a pair
From May 2, 1933:	
(a) Of a length (front of sole to heel tip) exceeding 11 inches	2s. each (4s. a pair)
(b) In other cases	9d. each (1s. 6d. a pair)

In an endeavour to restrict the heavy imports of rubber boots from foreign sources and provide greater preference for Empire products, which are duty free, the ad valorem rates were raised during 1932 and later in the year a small additional specific duty was added. This served the purpose of reducing considerably the imports from the United States, Germany, and Czecho-Slovakia, fairly large suppliers in previous years. Imports from Japan, however, where production costs were low, increased from 68,447 dozen pairs in 1931 to 170,405 dozen pairs in 1932. In order to correct this situation the comparatively high specific duties were applied in 1933, the result of which is apparent from the import figures quoted above.

EXPORTS

British-made rubber boots were exported to the extent of 2,253 dozen pairs in 1936, most of which were shipped to the Irish Free State and other Empire countries. In 1933 the high figure of 28,779 dozen pairs was recorded, 50 per cent being taken by British countries and the remainder principally by Belgium and the Netherlands.

PREFERENCE FOR CANADIAN BOOTS

Canadian rubber boots are particularly well liked in the West of England and are sold in a variety of styles, including ankle, knee, hip, and thigh lengths. There are a few ladies' and children's fancy street boots offered, but the bulk of the trade is in the ankle- and knee-length heavy-duty line. These are used by workmen engaged in outside occupations and by factory operatives who are required to work in wet or damp premises.

One firm of distributors handling rubber boots in this area attributes the preference for the Canadian product over that of United Kingdom manufac-

turers to the fact that the damp sea air to which the process of the latter is subjected has a deleterious effect on the rubber. This explanation no doubt has some merit, particularly if applied to the products of those firms located on the coast, but as a general rule will be accepted with some reservation. It is perhaps due rather to a combination of favourable factors that Canadian-made rubber boots compete successfully in this country.

BRITISH LAND FERTILITY SCHEME

L. H. AUSMAN, ASSISTANT TRADE COMMISSIONER

Bristol, December 8, 1938.—With reference to the report entitled "Fertilizers in the West of England," published in *Commercial Intelligence Journal* No. 1819 (December 10, 1938), p. 995, the committee appointed to administer the Land Fertility Scheme, whereby British farmers obtain from the Government 25 per cent of the cost of basic slag and 50 per cent of the cost of lime used on their farms, has recently published a report, a few details of which are appended.

Within two weeks of the inauguration of the scheme in September, 1937, applications were being received by the committee at the rate of 100 a day, and the daily average rose to 1,000 within a month. By the end of November more than 300,000 applications had been dealt with and subsidies paid on 577,000 tons of basic slag and 2,160,000 tons of lime. It is estimated that the amount of lime used on the land during this period was four times as great as in the previous season, and that the quantity of basic slag increased by 70 per cent. The report states that still more slag would have been used if greater supplies had been available.

NEW REGULATIONS RELATING TO THE UNITED KINGDOM HOSIERY TRADE

E. L. MCCOLL, CANADIAN TRADE COMMISSIONER

Bristol, December 8, 1938.—In an article entitled "The Hosiery and Knitted Goods Industry of the South Midlands," which appeared in *Commercial Intelligence Journal* No. 1818 (December 3, 1938), women's silk stockings were dealt with at some length. Two new items of interest which relate to this subject have recently appeared in the press.

WOMEN'S STOCKINGS RESTRICTED TO FIFTEEN SHADES

Next spring and summer the colours of women's stockings will be restricted to fifteen shades, ranging from flesh-colour to dark gun-metal. There are several light reddish-browns and one a slate-grey. A British standard colour card has been issued by the Buyers' and Finishers' Association, working in co-operation with the British Colour Council and a committee representing manufacturers, wholesalers, and retail interests. Other colours beyond those specified in the restricted list may be obtained if desired, but a surcharge will be imposed.

The appearance of this standardized colour card, together with additional charges for outside shades, has been the result of the controversy arising from increased prices which the dyers put into force last September. The number of shades was growing beyond common sense, necessitating small orders, naturally at higher costs.

The higher grades of pure silk full-fashioned stockings are not affected by the limitation on shades, the schedule applying principally to the medium and lower grades of pure silk, rayon, and wool and rayon mixtures.

AUSTRALIAN WHEAT AND FLOUR

FREDERICK PALMER, CANADIAN TRADE COMMISSIONER

Melbourne, November 16, 1938.—The estimated area sown to wheat for grain in the current season in Australia is slightly in excess of 14,000,000 acres. In those states experiencing drought conditions, however, there is likely to be a considerable difference between the "area seeded for grain" and the "area harvested." A considerable proportion of the area originally seeded for grain may be cut for hay or grazed by stock rather than risk a complete failure by waiting indefinitely for rain.

NEW CROP PROSPECTS

Crops are now sufficiently advanced to make reasonable estimates of the coming harvest. Indications are that West Australia and South Australia will each yield 30,000,000 bushels. Crops in the north and northwest of New South Wales are yielding better than had been expected, and this state should produce between 46,000,000 and 50,000,000 bushels. Queensland's harvest should be about 7,000,000 bushels. Provided cool weather and rains arrive shortly, the yield in Victoria should be between 16,000,000 and 17,000,000 bushels; but if rain does not fall, the Victorian crop may not exceed 10,000,000 bushels as compared with an average of 41,288,000 bushels during the last ten years.

These figures indicate an aggregate crop of about 129,000,000 bushels, but the great variation in conditions throughout different sections of the wheat belts makes an accurate estimate impossible. For purposes of comparison, the annual yield in Australia for each of the last six seasons is tabulated below:—

	Bushels		Bushels
1932-33.	213,926,981	1935-36.	144,217,769
1933-34.	177,337,803	1936-37.	151,389,952
1934-35.	133,393,232	1937-38.	187,795,000

FIXED HOME CONSUMPTION PRICE

Steps are being taken to ensure uniform legislation being passed in all Australian states to provide for a home consumption price of 4s. 8d. per bushel at country sidings, equal to 5s. 2d. per bushel f.o.b. Equivalent prices in Canadian currency are 88 cents and \$1.25, respectively.

In a bill recently brought before the Victorian Legislative Assembly provision is made for the establishment of a Wheat Products Prices Committee, on whose recommendation the Governor in Council may fix minimum and maximum prices at which wheaten flour may be sold by the miller. In order that the price of flour shall be high enough to ensure that the farmer shall receive 5s. 2d. a bushel at ports for wheat milled for flour for local consumption, the bill provides for the fixing of a price between £11 and £13 10s. a ton (equivalent to \$41 and \$49 Canadian respectively). The bill also provides that arrangement may be made with the Commonwealth Government for the distribution by the State Government to wheat growers within the state of moneys allotted to the state from the Commonwealth excise fund.

MARKET FOR ONIONS IN JAMAICA

F. W. FRASER, CANADIAN TRADE COMMISSIONER

Kingston, Jamaica, December 17, 1938.—There is a moderate demand for onions in Jamaica, supplied mostly by imports, local production being inconsiderable. In the calendar year 1937 total imports amounted to 1,699,985 pounds with a c.i.f. value of £7,804; for the nine months ending September 30, 1938, they totalled 1,312,029 pounds, the c.i.f. value being £6,762.

Volumes and values c.i.f. of imports by countries for these periods are shown in the following table:—

	1937		Jan.-Sept., 1938	
	Lbs.	£	Lbs.	£
Egypt	769,902	3,004	546,150	2,170
United States	537,561	2,683	685,221	4,155
Canada	205,900	817	15,000	54
Cyprus	77,400	360	37,120	176
Holland	36,962	167	1,100	13
Mexico	25,908	236	12,978	99
Chile	20,032	204	.....	.....
Hungary	19,850	264	.....	.....
New Zealand . . . . .	.....	.....	10,000	47
Italy	5,600	56	4,460	48
Other countries	870	13	.....	.....
Total	1,699,985	7,804	1,312,029	6,762

LOCAL FACTORS AFFECTING CONSUMPTION

The Jamaican per capita consumption of about $1\frac{1}{2}$ pound of onions per annum is much below that of Trinidad, Barbados, or British Guiana. This is due to the fact that Jamaica has, proportionately as well as actually, a rather larger number of peasant farmers than are found in those colonies, and that these farmers grow considerable quantities of fruits and vegetables for their own use and also for sale in the local markets. Retail prices are low and the heavy local output tends to stabilize popular taste, thereby restricting imports. On this account many kinds of food ordinarily regarded as necessities in other countries are luxuries in Jamaica, where price nearly always is the most important factor in determining the consumption of any commodity.

In this colony boiled yellow onions served by themselves are essentially a middle- and upper-class dish. The masses of the people do not eat onions in this form, but use them (generally red ones) for seasoning all kinds of flesh foods, especially dried salted cod and pickled herring, mackerel, salmon, beef, and pork. "Escovitched" fish, a fiery and favourite local delicacy, is made from imported pickled salmon and mackerel and also from many kinds of indigenous fish. It is first cooked and then pickled in vinegar liberally flavoured with hot tropical pepper, pimento, and onion.

Many kinds of vegetable substances suitable for flavouring food are grown and widely used in Jamaica—e.g. pepper, thyme, and scallion, a bulbous plant of the onion family. The scallion is a kind of small leek, but the bulb is of rudimentary size, being merely a slight enlargement of the stem near the root. The flavour is pungent, and not only the bulbs but also the stems, of which the edible portion is a few inches long, are cut into small pieces and mixed with food. One can buy for a penny or two in any of the public markets

at almost any time a bunch of scallion sufficient to flavour the family's food for several days.

NOTES ON THE TRADE

Both red and yellow onions are sold, the former commanding a somewhat higher price. The trade calls for onions of medium size—from $1\frac{1}{2}$ to 2 inches in diameter. They are customarily packed in light jute sacks holding 100 pounds net, in the case of shipments from the United States and Canada, and 110 pounds in respect of most of the other supplying countries, especially Egypt and Cyprus. American onions are imported chiefly between August and March, Egyptian between April and August, Cypriot between September and January, and Canadian between October and February or early March.

American yellow onions are quoted at \$1.80 c.i.f. Jamaica per bag of 100 pounds and reds at about 25 cents higher. Egypt ships only yellows, hard and of good keeping quality; these are uniformly from $1\frac{1}{2}$ to 2 inches in diameter, having been sized by mechanical means before packing. At the opening of last season they were quoted at from 11s. to 12s. per sack of 110 pounds net, but a few weeks later the price had fallen to from 8s. to 8s. 3d. The quotation on onions from Cyprus, yellow and of similar type to the Egyptian, is firm at 10s. c.i.f. per sack of the same size.

CANADIAN SUPPLIES

Canadian yellows, from $1\frac{1}{4}$ to $1\frac{3}{4}$ inch in diameter, are quoted c.i.f. Jamaica at \$1.75 per sack of 100 pounds, and reds at \$2. Yellows are reported to have arrived excessively stripped and also wet, and reds are said to have been too small (from 1 to $1\frac{1}{4}$ inch in diameter) whereas, especially in this type of onion, the trade requires a diameter of not less than $1\frac{1}{2}$ inch with a fair proportion ranging from that size to 2 inches. Canadian exporters have as a rule been unwilling to ship less than carload lots, whereas their American competitors do not object to supplying smaller quantities.

Quite recently Syrian yellow onions have been quoted at 11s. 3d. duty paid in Jamaica, per sack of 110 pounds; these are large, clean, and hard, of about the same type as the Egyptian. Dutch reds, from $1\frac{1}{2}$ to 2 inches in diameter, have been offered at 13s. per wooden crate of 110 pounds c.i.f. Kingston. A distinct novelty is an offer of Argentine yellows at \$2 c.i.f. per sack of the same weight.

BUSINESS METHODS

American and Canadian exporters usually give thirty days credit, drawing drafts accordingly against their local customers; other shippers, especially Egyptian and Cypriot, almost invariably insist upon cash against documents on arrival of goods. Onions are imported mostly by large wholesalers, who sell to retail grocers.

As onions are a perishable commodity, it is obviously necessary that the utmost care be taken in selecting, grading, and packing.

There are no government restrictions against their importation into Jamaica. Import duties are, ad valorem, 15 per cent under the British preferential and 20 per cent under the general tariff.

SUMMARY OF THE TRADE OF CANADA: MONTH, ELEVEN MONTHS, AND TWELVE MONTHS ENDING NOVEMBER, 1938

(Compiled by External Trade Branch, Dominion Bureau of Statistics)

Main Groups	Month of November, 1938				Eleven Months ending November, 1938				Twelve Months ending November, 1938			
	Total Imports	From United Kingdom	From United States	Total Exports	Total Imports	From United Kingdom	From United States	Total Exports	Total Imports	From United Kingdom	From United States	Total Exports
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<i>Imports for consumption</i>												
Agricultural and Vegetable Products.....	12,165,756	1,685,404	3,433,025	116,241,855	15,079,446	43,887,107	10,184,957	23,893,057	126,464,938	16,779,381	47,385,982	10,313,385
Animals and Animal Products.....	2,616,298	551,181	1,036,198	23,893,057	4,333,483	10,184,957	28,024,573	88,543,860	25,511,961	4,691,120	10,313,385	30,685,769
Fibres, Textiles and Textile Products.....	7,947,376	2,836,351	3,536,884	81,432,885	37,656,347	28,024,573	24,383,522	32,469,120	32,469,120	3,005,709	26,671,919	137,108,291
Wood, Wood Products and Paper.....	2,693,640	300,339	2,340,312	2,743,737	3,308,192	124,882,716	165,688,867	30,270,777	30,270,777	22,159,950	137,108,291	5,819,179
Iron and its Products.....	13,693,140	1,689,660	11,457,631	151,233,012	20,588,437	22,650,342	86,381,344	123,060,345	123,060,345	13,035,852	93,251,743	25,458,076
Non-Ferrous Metals and their Products.....	2,693,140	549,608	1,875,035	35,809,448	5,338,630	12,439,758	20,930,548	35,359,474	35,359,474	6,987,015	37,063,432	480,393,703
Non-Metallic Minerals and their Products.....	12,647,249	1,664,628	9,092,313	114,972,241	12,439,758	6,672,445	34,309,635	686,290,407	808,767,780	147,131,556	480,393,703	358,958,387
Chemicals and Allied Products.....	4,218,370	973,163	2,654,427	33,020,112	6,763,790	112,240,528	395,561,928	120,906,751	120,906,751	120,906,751	480,393,703	358,958,387
Miscellaneous Commodities.....	4,091,924	709,105	2,906,138	46,348,121	633,165,368	138,625,328	455,672,988	620,763,532	620,763,532	121,671,423	480,393,703	358,958,387
Total Imports, 1938.....	63,303,669	11,019,521	37,656,163	755,771,286	114,465,035	336,523,608	336,523,608	620,763,532	620,763,532	121,671,423	480,393,703	358,958,387
1937.....	60,640,504	14,997,278	46,362,831	582,104,350	114,465,035	336,523,608	336,523,608	620,763,532	620,763,532	121,671,423	480,393,703	358,958,387
1936.....	66,169,416	12,488,386	35,262,885	582,104,350	114,465,035	336,523,608	336,523,608	620,763,532	620,763,532	121,671,423	480,393,703	358,958,387
<i>Exports (Canadian Produce)</i>												
Agricultural and Vegetable Products.....	25,918,695	14,453,316	5,101,095	172,844,276	98,065,173	28,733,922	28,733,922	192,790,467	192,790,467	109,380,968	30,035,687	29,377,913
Animals and Animal Products.....	12,238,608	7,234,051	3,342,845	107,604,498	67,785,749	28,848,207	28,848,207	117,095,550	117,095,550	73,075,442	29,377,913	142,828,098
Fibres, Textiles and Textile Products.....	1,029,043	238,121	121,573	12,121,465	3,188,877	1,659,798	1,659,798	12,944,983	12,944,983	3,392,486	1,719,284	142,828,098
Wood, Wood Products and Paper.....	19,627,102	3,530,649	13,857,386	193,852,665	12,833,775	3,771,503	3,771,503	61,096,389	61,096,389	14,549,630	4,142,684	111,297,652
Iron and its Products.....	4,216,654	952,240	358,036	55,806,502	85,713,316	106,318,290	106,318,290	258,150,786	258,150,786	3,298,051	12,248,603	7,826,690
Non-Ferrous Metals and their Products.....	24,242,851	8,207,879	10,326,159	242,457,385	2,970,297	10,913,762	10,913,762	25,212,125	25,212,125	5,049,360	9,354,073	348,831,684
Non-Metallic Minerals and their Products.....	2,735,538	380,032	1,242,254	22,824,246	4,559,695	8,675,414	8,675,414	19,571,225	19,571,225	345,413,949	410,682,735	389,169,762
Chemicals and Allied Products.....	1,603,370	457,962	1,206,481	18,061,655	3,899,590	320,619,313	320,619,313	921,040,630	921,040,630	23,717,928	1,315,558	10,696,686
Miscellaneous Commodities.....	1,251,148	272,605	704,545	18,385,768	3,899,590	320,619,313	320,619,313	921,040,630	921,040,630	15,295,987	889,080	12,638,991
Totals, 1938.....	98,223,809	35,756,865	33,584,371	843,958,850	314,176,319	373,392,845	373,392,845	1,130,584,691	1,130,584,691	389,169,762	403,020,561	10,696,686
1937.....	106,662,684	51,614,422	31,288,499	1,032,510,371	373,392,845	441,968,675	441,968,675	1,130,584,691	1,130,584,691	23,717,928	1,315,558	12,638,991
1936.....	120,971,384	50,673,494	46,536,866	917,131,115	392,511,095	305,992,672	305,992,672	994,230,338	994,230,338	15,295,987	889,080	11,833,425
<i>Exports (Foreign Produce)</i>												
Totals, 1938.....	851,279	58,345	680,818	42,314,081	23,450,043	10,064,718	10,064,718	43,119,200	43,119,200	15,295,987	889,080	11,833,425
1937.....	1,154,832	97,571	946,871	13,963,642	1,218,639	11,580,655	11,580,655	15,295,987	15,295,987	1,315,558	1,315,558	10,696,686
1936.....	1,894,735	57,074	1,743,406	11,364,174	821,472	9,882,458	9,882,458	13,509,453	13,509,453	23,717,928	1,315,558	10,696,686
<i>Excess of Imports (i) or of Exports (e)</i>												
Totals, 1938.....	(c) 30,771,510	(e) 24,795,689	(i) 1,383,974	(e) 23,108,463	(e) 223,575,534	(i) 64,877,606	(i) 214,668	(e) 278,499,423	(e) 278,499,423	(e) 245,223,126	(i) 70,865,337	(e) 5,988,559
1937.....	(c) 27,177,012	(c) 36,714,715	(i) 14,157,401	(e) 290,702,727	(e) 233,656,156	(i) 2,114,668	(e) 337,112,898	(e) 337,112,898	(e) 337,112,898	(e) 294,866,737	(e) 294,866,737	(e) 5,988,559
1936.....	(e) 56,696,704	(c) 38,242,182	(e) 12,987,387	(e) 345,300,939	(c) 248,867,531	(i) 40,301,522	(e) 386,976,259	(e) 386,976,259	(e) 386,976,259	(e) 268,387,419	(e) 55,895,658	(e) 55,895,658

THE BRITISH WEST AFRICAN MARKET

A Survey in the Interests of Canadian Export Trade

H. L. BROWN, ASSISTANT TRADE COMMISSIONER

III. IMPORTED COMMODITIES

As the information in this report is intended for the use of Canadian producers and exporters, there is a certain lack of proportion in emphasis in the succeeding commodity notes. On the one hand, the most important single group of imports into British West Africa is textiles, mainly cotton piece-goods. Textiles for this class of trade are not made in Canada, so the entire group is practically passed over as an item of statistics. On the other hand, the most interesting group of imports from the Canadian point of view is foodstuffs, drink, and tobacco; consequently, stress is placed on this group, particularly on canned and dried fish, flour, and unmanufactured tobacco.

Similarly in the range of manufactured products, it will be found that some classifications are stressed and others passed over, not because the latter are unimportant in the economy of British West Africa, but because there are no immediate prospects of Canadian producers and exporters being interested. Those producers and exporters who desire information on commodities not discussed in this report, or additional information to that contained in the report, should write to the Department of Trade and Commerce, or to the Canadian Trade Commissioner, Canada House, Trafalgar Square, London, S.W. 1.

CANNED FISH

The importations of canned fish are heavy in the Gold Coast and also Nigeria, but much lower in Sierra Leone and the Gambia. While actual percentages are not obtainable, there is little doubt that the most important fish in this trade is the pilchard. So far as salmon is concerned, the demand for chums, which is the only type sold for the native trade (the demand in pink and red salmon for the European trade is very small), has been fairly steady, because it is used mainly by the better-class Africans. The quantity importations for many years have been in sardines, mainly from Portugal, and, during recent years, in pilchards from California and Japan. While there has been relatively little diminution in sales of chum, the increases in importation have been mainly in pilchards and, to a minor extent, in sardines.

SARDINES

The Portuguese sardines, which are probably not true sardines but cheaper fish such as horse mackerel, are packed in several sizes of cans, of which typical ones are $4\frac{1}{4}$ inches by $2\frac{1}{2}$ inches by 1 inch inside measurements, and $4\frac{1}{2}$ inches by $3\frac{1}{4}$ inches by 1 inch. The tins usually have a soldered bottom, with a lug for opening with the usual type of key, or, as is by no means uncommon in West Africa, by tearing off with the teeth. The tin opens quite readily along the soldered line, giving complete and easy access to the fish. The top is double-seamed. The cans are sometimes lithographed cheaply with brands which commonly include African words and quite frequently show large silvery fish with red meat.

The fish, as they appear in the tins, are of a dingy brown colour. The flesh is heavy and coarse, and the skin is tough, while the scales are not soft. The head and guts have been removed and the tail trimmed, leaving the fish approximately $3\frac{1}{4}$ inches long by $1\frac{1}{4}$ to $1\frac{1}{2}$ inch deep and something over $\frac{1}{2}$ inch thick. The narrow tin mentioned ($2\frac{1}{2}$ inches) contains four fish, while the

wider tin ($3\frac{1}{4}$ inches) is packed with what are described as "American pieces," which consist of fish cut into sections about 1 inch long. There are about fifteen pieces of fish per can. In both cases the fish are quite loosely packed in abundant oil, part of which may come from the fish itself, but the greater part of which may be peanut, cotton, or other cheap oil.

PILCHARDS

Pilchards in the oval cans, usually the 1-pound size, have been sold for years. In recent years another type has been developed in California and is sold under the brand name "Tin-Apa." This fish is described as smoked pilchards, the smoking very probably giving that flavour which is so popular with the Africans. The fish is in tomato sauce (or bouillon) or oil. Different coloured labels are used for the two packs. "Tin-Apa" is sold entirely in a 5-ounce tall can about 2 inches in diameter and about $3\frac{1}{4}$ inches high, which must be opened with a can-opener. Each can usually contains three fish, without head or tail, each about 3 inches long, 2 inches deep, and 1 inch thick.

The Japanese have introduced a competing line, described as "Pacific Pilchards," and are also selling the oval can attractively labelled. The latter contains about sixteen fish, packed diagonally, in two opposite layers. Each fish is about $3\frac{1}{2}$ inches long, $1\frac{1}{2}$ inch wide, and over $\frac{1}{2}$ inch thick. Here again the head and guts are removed, and the tail is trimmed. The pack in tomato puree shows some oil and a great deal of liquid.

REQUIREMENTS

The question of size or shape of can seems to be immaterial, although it may be a factor in some districts. The main requirement is cheap fish of large size, strong in flavour, preferably smoked, and packed in plenty of oil or oil and tomato sauce. One of the more common uses of canned fish is in a mixture with rice, cassava, or other staple, in which case the stronger the flavour of the fish the greater the quantity of rice that can be mixed with one can, since the abundant oil goes far and carries the flavour. The largeness of the fish appeals to the eye.

DRIED AND SMOKED FISH

The colonies of Sierra Leone and the Gambia do not consume large quantities of fish and adequate supplies for their requirements are obtained from local waters. The local fish are used fresh and are also sun- and smoke-dried for use, not only among the coastal people but also to some extent in the interior.

In the Gold Coast and Nigeria the same situation prevails, but on a larger scale, and fair quantities of locally cured fish find their way inland. Nevertheless, the local production of fish by no means supplies all the requirements and quite extensive importations of dried, as well as canned, fish are made annually. In 1936, for example, the Gold Coast imported over 3,000 tons of dried fish from the Canary Islands and Nigeria imported over 10,500 tons from Norway.

It is a most interesting fact that the natives of the Gold Coast will not use Norwegian fish, nor those of Nigeria use fish from the Canary Islands. The conservative African will not change from the type of fish to which he has been accustomed. So ingrained is this prejudice that the people of one village will not eat the slightly different type of fish favoured in another centre only 150 miles away. For example, in Lagos, and eastward to the delta country, the usual type of dried fish is round haddock and cod, while in Ibadan split sei is the only type used; so that a shortage in the one place may not be offset by a surplus from the other.

The Norwegian cure is very hard and dry, and is obtained by hanging the fish in the sun and wind. No salt, no smoke, nor any other agent is used, and the result is a fish so hard and so dry that it will splinter if hammered. Such a cure does not absorb moisture appreciably even over a long period of time and consequently can be kept with little difficulty. The Canary Islands fish for the Gold Coast is cured in a similar manner. Any cure involving the use of salt and including a rather high moisture content soon deteriorates in the tropical conditions of high temperature and high humidity.

The strong smell of the Norwegian and Canary Islands fish is one of the attractions of the product, because it is used principally for mixing and flavouring foods such as rice or cassava.

The Norwegian fish vary in length from 20 to 50 cm., and here again each district has its own requirements. Lagos, for example, takes 20 to 40 cm. only, while Port Harcourt takes only 40 to 50 cm. The fish is usually tied in bales of about 45 kilograms, each bale being wrapped in coarse sacking.

FLOUR

The year 1936 is probably the most useful of recent years for indicating the approximate "average" importation of flour. So far as the ultimate consumption is concerned, the figures in the following table, which shows importations of flour into each colony, can readily be increased by 20 to 30 per cent at least when business is active in the colonies:—

Imports of Flour in 1936

	Gold Coast Bbls.	Nigeria Bbls.	Sierra Leone Bbls.	Gambia Bbls.	British West Africa Bbls.
Total..	87,166	33,950	14,701	7,930	143,747
United States	74,637	31,566	19	....	106,222
Canada	11,415	788	13,588	2,113	27,904
United Kingdom .. .	757	1,400	1,077	2,581	5,815
France..	11	....	....	3,222	3,233

In addition to the quantities shown in this table, imports included 573 barrels consisting of trial and other shipments from Belgium, Australia, Poland, Germany, South Africa, and other countries.

The Gold Coast takes 60 per cent of the flour imported into British West Africa, Nigeria about 24 per cent, Sierra Leone about 10 per cent, and the Gambia the remaining 6 per cent. Only in the two smallest colonies is Canadian-milled flour sold in substantial proportions.

The United States supplied nearly 74 per cent of the total flour imports of all four colonies in 1936 and over 87 per cent of the imports into the two most important colonies, the Gold Coast and Nigeria. Canada was credited with nearly 20 per cent in 1936, but that percentage decreased in 1937. In the latter year Canada supplied only 7 per cent of the total importations of flour into the Gold Coast as compared with 13 per cent in 1936, suffering an absolute as well as a relative decrease.

FLOUR CONSUMPTION

The regular use of bread in West Africa is confined, of course, to Europeans and those Syrians and Africans who can afford it. Cabin bread (hard tack) is still imported in large quantities and is a staple food for many Africans who cannot afford fresh bread. Marginal consumers fluctuate between cabin bread and fresh bread, according to variations of income and the cost of fresh bread. While most Africans have a genuine liking for wheat bread, it is a luxury for the great majority of the people. Consequently, the con-

sumption of wheat flour, over and above the requirements of consistent users, varies directly and immediately with the conditions of business in exportable commodities.

SALE OF FLOUR

Apart from occasional speculation in flour by Syrian traders and random importations direct by bakers, flour is imported almost entirely by the trading companies. These organizations can pay for their purchases and the miller is relieved of any uneasiness on that score. The trading companies have the organization for selling flour wherever it can be sold, the experience in trading, and the space for warehousing. In short, quantity sales of flour can be made only through the trading companies at the present time.

SEASONS OF FLOUR IMPORTATION

The seasons of importation of flour vary with general business activity. Importations of flour are usually at their lowest in the rainy months of June, July, and August. In September they begin to pick up rapidly and are heaviest in October and November, continuing well into December and January. They slacken somewhat in February, then revive a little in March and April prior to the rainy season decrease, which usually shows itself in May importations. In Sierra Leone, however, importations on the average are lowest at the year end and maintain surprising evenness during the second and third quarters of the year. In all colonies there is a great variation from year to year.

Climatic conditions are definitely conducive to spoilage, weevils are almost unavoidable, maggots develop rapidly, and mould is never far away. These conditions prevail and cannot be avoided because of the high humidity and temperature during the greater part of the year in practically all the districts using flour. (Northern Nigeria is desert dry, but flour is not used there to any extent.)

It is necessary, therefore, for importations to be frequent and to avoid the rains as much as possible. Baking, when indoors, is usually in temperatures somewhat higher than average outdoor temperature, but much baking is done in sheds open to the air.

STORAGE SPACE AND PERIODS

The trading companies have done much work in recent years in improving their properties and, in many cases, have constructed entirely new and well-designed buildings of concrete and steel which are capable of storing large quantities of merchandise as properly as possible in a tropical climate. Flour, its weakness appreciated, usually enjoys as good accommodation as can be arranged. Corrugated iron roofs, however, are known as absorbers of heat and, with a humid atmosphere, conditions beneath them become somewhat trying. Flour is expected to store in good condition for three months at least during the dry season and for two months at least during the rainy season. These "expectations" vary according to local conditions. In general, however, traders like to sell off their stocks as soon as possible and preferably within a month.

BREAD AND BAKING REQUIREMENTS

Most bread is baked for sale, only a few Europeans and the occasional African baking for their own use. Each important town has several bakeries and a large number of African women, known locally as "Mammies," bake at home for sale in their neighbourhood or in nearby towns, railway stations, etc.

Fundamentally there is just one main requirement among bakers: a large light loaf for the least cost. The African consumer of bread has not yet acquired any useful discrimination beyond that of obtaining as much for his money as possible. The larger and lighter a roll or loaf for the money, the better he is pleased.

Accordingly bread is "blown" as large as simple baking methods will carry it. Texture is of little interest to most bakers and consumers; so, too, is crust thickness. The crust is usually a good golden brown and the bread itself white or creamy white; but these are due more to the use of good flour than to any demand.

The shape of the loaf is generally of little material importance. Each baker brings forth loaves according to her or his whim or the shape of the vessels at hand. In general, a loaf of approximately 2 pounds is available retail at from 12 to 18 cents and a range of smaller loaves, rolls, and buns at prices down to 1 cent. The larger loaves are usually baked in pans or moulds, although there are some 1-pound loaves of the French roll or Vienna type. Some large moulded loaves are made of five or six small loaves baked together to be sold as a unit or broken apart for penny sales. The smaller ones are occasionally pan loaves, but mainly rolls or buns. A few town bakers make a sandwich loaf in an open-end pan. The demand for each size of loaf varies with the district and with business conditions. It is largely a question of the consumers' income whether the demand is greater for a large pan loaf or small hearth loaf.

QUALITY OF FLOUR

The majority of the bakers, including the "Mammies," demand good flour. At the same time, baking procedure and limited experience seriously affect the baker's opinion of what constitutes good flour. One flour may be better than another for the production of exactly the same type of bread, but if the baker cannot use the first flour he will pronounce it bad. Bakers, as a whole, do not work to adapt their methods to the flour, but expect the flour to work to their methods.

BLENDING

There is a certain amount of blending among town bakers; in most cases it is practically a question of diluting to save cost of flour. The French flour in the Gambia and much of the United Kingdom flour, both in the Gambia and Sierra Leone, is used in varying proportions with United States and Canadian flour, not so much because a blend is easier to work, but because it is cheaper than high-grade flour and gives a loaf somewhat similar.

"FEEL" OF DOUGH

In judging the rising dough or the bread from the oven, the "Mammy" has just one criticism, "not big enough," and a corollary, "too heavy," which simply means that, for its weight to the hand, the loaf is not large enough. Some of the few skilled bakers in the larger centres have more definite ideas of what constitutes good flour for their purposes. They like the dry "feel" of the low-moisture flour, they appreciate the strength and elasticity of a flour in the sponge and dough stages, they know how a dough should look and feel on the kneading table. These bakers are exceptions; few of the "Mammies" work a flour enough to know very much about its behaviour beyond its ability to rise and stay up.

WATER ABSORPTION

Water absorption to all bakers, again with the few exceptions, is a matter of little concern. They never measure the amount of water used; few bakers

can tell the exact quantity of water required by any determined quantity of flour.

PALM WINE BREAD

The village baker almost invariably uses palm wine, which is made from the juice of a certain type of palm taken at the flowering period. It is best used for bread-making when freshly fermented, and it frequently involves the use of high proportions of sugar. The sugar offsets the sourness resulting from palm wine and long fermentation periods, thus producing the sweet bread favoured by most Africans.

The oven commonly used is the clay "beehive" type in which a small hot wood fire is kept burning for two or three hours. As the fire dies down the larger sticks are withdrawn, leaving the oven floor covered with fine live ashes. The oven is allowed to cool—perhaps for half an hour—until it "feels" right to the baker, the loaves are then placed inside and the single opening is covered with a piece of sheet metal and wet sacks. After 10 or 15 minutes the loaves are a light golden brown. In another 10 or 15 minutes—that is, after 25 to 30 minutes baking—the oven is opened, the loaves removed, dusted and set aside in a draughtless room to cool. Larger loaves (2 pounds) are baked for 20 to 30 minutes longer.

YEAST BREAD

In towns such as Accra and Lagos the "Mammies" find it increasingly difficult to obtain fresh palm wine when they want to bake. They are gradually becoming accustomed, therefore, to use the yeast made available through the cold storage plants in these towns. This yeast is usually of United Kingdom origin. Those catering to European requirements also tend to use yeast, as their customers object to the extremes of sourness or sweetness common with palm wine bread. The "Mammies" are quite frank to admit that yeast is not as good as palm wine because it does not give quite as large a loaf. The method of mixing and baking is the same.

The few more progressive bakers in the towns use yeast consistently and make their bread much as do many housewives in Canada. Some use a sponge and others the straight dough.

OTHER FOODS MAINLY FOR THE AFRICAN TRADE

Biscuits.—There is a substantial trade in biscuits, most of which is "hard tack" or ships' biscuits, used by the African as bread and, in fact, sometimes referred to as bread. The main requirement is a hard, dry biscuit, often in the form of small squares, at a low price.

Confectionery.—The main items under this heading are toffees, boiled candies, and penny chocolate bars. Cheapness is the main consideration.

Canned Meat.—There is a substantial importation of canned corn beef, particularly into the Gold Coast and Nigeria. Supplies are mainly from Argentina, but some come from Uruguay. The coast peoples are the principal consumers.

Pickled Meat.—This item is made up almost entirely of pickled pigs' feet from Europe. The bulk of importation is into the Gold Coast, with smaller quantities into Nigeria and the other colonies.

Rice.—The importation of rice from the Far East is steady and unchanging in all the colonies except Sierra Leone, which is itself a producer and imports only to supplement its own crop.

Sugar.—There is a steady and large demand for cheap sugar, mainly packaged lump. The business is controlled by United Kingdom shippers, but

some quantities arrive from Czecho-Slovakia. Canadian refiners are apparently unable to compete.

COLD STORAGE FOODS

There has been an active and progressive development of facilities for handling and preserving fresh food. Cold storage is well established and most better-class homes have refrigerators. While this business was built up primarily to cater to Europeans, there are a large number of Africans who purchase from the cold storage companies whenever income permits.

In the Gambia there is an ice plant and the small business in imported fresh fruits and meats is handled by the shipping company, Elder Dempster Lines Ltd.

In Sierra Leone there are two cold storage companies—the Crown Bottling Co. and the Freetown Cold Storage Co.—both in Freetown.

In the Gold Coast there are two very active cold storage companies—the Accra Ice Co. and the West African Cold Storage Co.—both with head office at Takoradi and both with depots at important points throughout the country.

In Nigeria the West African Cold Storage Company does the greater part of this business.

The development of cold storage has naturally made possible increased importations of fresh foods.

Butter.—Because of the outpost trade and facility in handling, butter is still imported in cans, but an increasing proportion of fresh butter is imported.

Cheese.—Imports of cheese are mainly of the processed types but a small percentage of cheese in the head is available in the larger centres. The processed cheese is popular, being easier to handle and less wasteful under tropical conditions.

Fresh Fish.—Throughout West African coastal points abundant supplies of excellent sea fish are available most of the year; these are placed on the table within a few hours of being taken from the water. The opportunity for imported fish is limited therefore. Nevertheless, there is a considerable quantity imported into the Gold Coast and Nigeria; all of it comes from the United Kingdom. There is also a moderate quantity of mild-cured fish, such as kippered herring, imported in boxes and cans. No shipping facilities are available direct from Canada for the small parcels usually required.

Fresh Fruit.—Purchases of fruit are made mainly in the United Kingdom, generally in Liverpool. Importations from South Africa, which are made direct to Lagos, Accra, and Takoradi, are arranged through local agents. As orders are almost invariably for less than carload lots, this business is of little interest to Canadian exporters. Canadian apples, however, are regularly finding their way to West Africa.

Fresh Meat.—The demand for fresh meat is quite heavy, particularly in the Gold Coast. Importations include Argentine beef, New Zealand mutton, pork, poultry, game, etc. All purchases are made in the United Kingdom.

Cured Meat.—Included under this listing in import statistics are bacons and hams, for which there is a good sale, especially through the cold storage companies.

Fresh Vegetables.—Vegetables are difficult to cultivate to European taste in West Africa and consequently importations are quite heavy. They consist mainly of potatoes, onions, and other vegetables not necessarily requiring cold storage. There is, however, a fair volume of cabbages, cauliflowers, carrots, and other vegetables imported annually, largely by the cold storage companies.

OTHER FOODS MAINLY FOR THE EUROPEAN TRADE

Europeans away from home are prone to demand home foods, especially where, as in West Africa, local foods are still mainly poor in quality. As a

result, many of the well-known United Kingdom and United States canners are selling in West Africa. The 2-pound can seems to be most in favour but there is also a demand for a small size suitable for one person. Orders are usually for a few cases at a time.

Canned Fruits.—Fruits most in demand are peaches, apricots, pears, and berries of various kinds, but particularly strawberries.

Dried Fruit.—Dried fruit importations are made up almost entirely of Mediterranean products, such as currants and figs.

Pickles and Sauces.—All the usual brands of pickles and sauces common to the United Kingdom are in fair demand. There is a fairly substantial consumption of tomato ketchup, but the principal requirements are in mustard pickles, pickled onions, pickled walnuts, and similar bottled goods.

Canned Soups.—There is an excellent sale, and the types preferred seem to be tomato and vegetable, and, to a lesser extent, oxtail, kidney, and mushroom.

Canned Vegetables.—Best selling lines are peas, beans of all kinds, carrots, turnips, and new potatoes. Mushrooms and corn find a limited sale.

ALCOHOLIC BEVERAGES

Beer.—In spite of the fact that there is a successful brewery operating in the Gold Coast, from which supplies are also shipped to Nigeria and Sierra Leone, there is a large importation of beer. While the European population consumes a considerable quantity, the importations are intended mainly for those Africans who can afford it. The African is fond of beer and prefers light lager and pilsener. Continental beers supply a large part of the market, but moderate to large quantities are also imported from the United Kingdom. There may be a good opportunity for the Canadian brewer who can supply the right type of beer at competitive prices.

Spirits.—Whisky is imported exclusively from the United Kingdom. Little interest is displayed by the United Kingdom and Continental elements of the population in rye or bourbon whiskies; they use only Scotch whisky. The few Americans and Canadians in British West Africa would consume a certain amount of Canadian-type whisky, but the total would never be large. Cocktails are not taken to any extent.

Gin is imported in moderate volume. The bulk of such imports is cheap trade gin for the African trade, but there is also some consumption of the well-known better-class brands. Small quantities of brandy and rum are also imported.

Special regulations are laid down with regard to the packing and importation of spirits.

[NOTE.—The fourth and last instalment of Mr. Brown's report on the British West African market will appear in the next issue.]

PORTUGUESE PULP AND PAPER REQUIREMENTS

A. B. MUDDIMAN, CANADIAN TRADE COMMISSIONER

(One escudo equals approximately 4 cents Canadian; one kilo equals 2.2 pounds;
one metric ton equals 2,204 pounds)

Milan, November 26, 1938.—Paper is processed in Portugal from the sulphite pulp of the eucalyptus and pine trees. At the same time, there is a fairly large importation of pulp in relation to the limited needs of the country. The Portuguese newspapers are generally small sheets, and there is little in the way of a press outside of Lisbon and Oporto. Further, about half the population, which is approximately 6,000,000, is analphabetic—a fact that affords an estimate of the size of the market.

PULP IMPORTS

Imports of pulp are listed with rags, clippings, cuttings and pulp, but the bulk of this paper material consists of pulp. The latest final figures available on imports are for 1936. Total imports in that year were 13,567,331 kilos valued at 12,121,970 escudos. Sweden supplied the bulk, 9,016,216 kilos, and Finland half of the remainder, 2,204,825 kilos. The other supplying countries were Norway, Spain, England, France, Holland, and Czecho-Slovakia. Provisional figures for 1937 show an increase from 13,567 metric tons in 1936 to 15,213 metric tons. Sweden led again with 10,381 tons, followed by Finland with 2,860 tons, and Norway with 1,288 tons ousted Germany from third place.

PAPER IMPORTS

Small quantities of all types of paper are imported into Portugal. At one time the full consumption of paper bags was imported, but there is now a local factory making this article. The principal supplies of paper for telegraphic machines come from England, which supplied 9,401 kilos out of 14,825 kilos in 1936. Italy and Norway compete for the remainder of this trade. The importation of cigarette paper is large, amounting to 264,051 kilos in 1936. France holds approximately 50 per cent of the trade. Coloured newsprint is imported chiefly from Finland and Norway.

Imports of plain newsprint in 1936 amounted to 9,209,362 kilos. Norway supplied 7,446,210 kilos, Finland 892,102, Germany 538,071, and Sweden 332,979 kilos. The small import of music paper is controlled by Germany. There is a considerable amount of paper imported in the form of foreign books. France leads in this field, although in technical books Germany seems to be superseding the United Kingdom, which formerly controlled the market. Spanish books and papers in fair numbers are now selling in Portugal, especially among refugees from Spain. Italy leads in all atlases and maps on sale.

PULPWOOD

There does not seem to be any opportunity for the export of pulpwood to Portugal. The reason is that the difference in price between imported pulp and imported wood plus cost of manufacture would probably be too small to justify the erection of the necessary plant. Still less would such expenditure be justified in view of the fact that the consumption of pulp is spread over five or six different qualities at least, owing to the large variety of types of paper in use. Finally, pulpwood pays the same duty as wood-pulp.

WOOD-PULP

Although the domestic production of sulphite pulp was 4,945 metric tons in 1936 and 5,053 metric tons in 1937, no sulphate is produced in Portugal. There is a demand for sulphate since five local firms, with a joint production of about 3,500 tons a year, manufacture all the kraft paper needed in Portugal from sulphate exclusively. The two largest manufacturers of paper in Portugal are the Companhia do Papel do Prado and William Graham, Junior. These firms are always interested in quotations, if prices are competitive and the quality offered is suitable.

For the Portuguese market the pulp is imported exclusively in sheets, which must be perforated to meet customs requirements. This is to prevent cardboard being imported under the guise of pulp. The qualities desired are: easy bleaching prime, strong sulphite prime, dry mechanical, and kraft prime. Pulp is dutiable at 1.50 gold escudo per metric ton plus 20 per cent (\$1.72 per ton of 2,000 pounds). Imports are made on a monthly basis of a few hundred tons. It is not the custom to load up with heavier stocks.

RAYON PULP

Like other European countries, Portugal has its own rayon enterprise, which may offer an opening for Canadian rayon pulp. Of course, the demand will be small, because the industry is new.

NEWSPRINT

Purchases of newsprint in Portugal are nearly always made by publishers from local agents. No local newsprint in reels is made, but there is a small production of newsprint in sheets. The weight specified for unglazed newsprint by Portuguese purchasers is from 48 to 50 grams per square metre.

Specifications of one of two principal newspapers for unglazed white newsprint are as follows: quantity required, 1,500 tons; width of reels, 82, 58, and 41 cm.; diameter of reels, 80 to 85 cm.; substance, 48 to 50 grams per square metre; centre, 7 or $7\frac{1}{2}$ cm. For glazed white newsprint the same newspaper requires: quantity, 30 tons; width of reels, 82 cm.; diameter of reels, 80 to 85 cm.; substance, 75 grams per square metre; centre, 7 or $7\frac{1}{2}$ cm.

The other newspaper is even more precise in its specifications. It requires white, strong, unglazed but slightly calendered newsprint, both sides equal, well manufactured in order that a clear and perfect impression may be obtained; substance, 48 to 50 grams per square metre; width of reels, 44.5, 89, 134, and 178 cms.; diameter of reels, 85 cms.; diameter of core, $7\frac{1}{2}$ to 8 cm. If the maximum of 50 grams in substance be exceeded, the purchasers shall be entitled to compensation for the excess. Each reel must be packed separately in cardboard or in wood with iron hoops.

In the past there have been two obstacles to Canadian participation in this trade. The first, that of reshipment from England, has now disappeared with the Capo Line from Montreal and Saint John calling at Lisbon. The second is the light weight which is in common demand throughout the Continent. The minimum weight which the mills in Canada are accustomed to supplying is 32 pounds to 500 sheets 24 by 36, and Portuguese papers apparently run 30 pounds.

QUOTATIONS

Quotations on newsprint may be in escudos or sterling, c.i.f. Tagus. It is always better for Canadian exporters to quote Portugal in sterling. All shipping expenses, including consular invoice, are for seller's account. Insurance must cover all risks, including those of mines, war, pilferage, strikes, riots, snow, rain or other water, etc., from the seller's factory to the buyer's warehouse, and the insurance should be valid until the thirtieth day after discharge. Payment is effected by accepted draft against shipping documents at eighty days from the date of arrival of the shipment in the Tagus. Right of rejection of the goods, if the above conditions are not fulfilled, remains with the buyer. The clause regarding rain is distinctly important. The verification of the invoice will be made according to the nominal weight—that is, the product of the total length of the reels by their width in square metres (the verification being made in linear metres). The invoices must show the number of the reels, the length of each, and the respective correction of weight in case of any difference.

PRICES AND PACKING

Prices vary and recently have declined. While a quotation in March, 1937, was £13 5s. per 1,000 kilos for a contract of about 1,200 metric tons of unglazed newsprint in reels, the quotation on the last contract delivered in the fall for 3,000 tons of newsprint at 48 to 50 grams per square metre was at about £9 10s. c.i.f. Tagus.

The packing generally adopted at present is that of layers of thick paper or cardboard covering the whole reel, ends included. The hollow core is of compressed paper.

OTHER PAPER REQUIREMENTS

Typewriting paper and fair bonds are made locally. Paper for making up into sandpaper is imported. Writing and plain typewriter paper runs in an average size of 44 by 56 cms. (coquille), corresponding to English medium sizes and also to double foolscap (46 by 68 cms.). The weights per ream of 500 sheets are 6, 7, 8, 9, and 10 kilograms. The market for account book paper is principally in the hands of local mills, although the highest grade papers are still occasionally imported from the United Kingdom. The market for blotting paper is largely in the hands of an American firm, closely followed by an English factory.

As regards the market for pasteboards, strawboards, and cardboards, the biggest demand is for ordinary strawboard for book covers and boxmaking. This is furnished from Holland and competition from elsewhere is not considered feasible. Domestic production, however, is expected to make headway due to the Portuguese movement to buy at home. Ivory boards are made chiefly in Amsterdam. The United Kingdom supplies most of the art and imitation art papers.

METHODS OF TRADE

Foreign firms have representatives who sell on a commission basis, the commission varying from 10 to 20 per cent. The customary terms of payment are ninety days, and quotations should always be c.i.f. and in sterling if Portuguese currency is not readily figured out. Quotations should also be in metric terms. The market for foreign goods is limited and advertising is unnecessary. Agents who are established in the trade should be chosen. As for every other line, the most satisfactory way to open up business is to visit the market for first-hand study.

WALLPAPER

The market in wallpaper is keenly competitive. England, Germany, France, and Belgium are the leading suppliers. Switzerland does a good business in a washable wallpaper. Canada has shipped wallpaper to Portugal from time to time. It must be remembered that the Portuguese are a Latin race and require Latin styles and designs. Any novelty line, however, is welcomed. Since each retailer generally tries to stock as many exclusive lines as he can, there is an opportunity to add exclusive Canadian patterns to the wide range of Continental designs.

FOREIGN TRADE OF TURKEY, JANUARY TO JUNE

HENRI TURCOT, CANADIAN TRADE COMMISSIONER

[One Turkish pound (£tq.) equals about \$0.30 Canadian]

Cairo, Egypt, November 24, 1938.—According to a report issued recently by the Ottoman Bank at Istanbul, Turkey's trade for the six months ended June 30, 1938, compares as follows with that for the first half of 1937:—

	Jan.-June 1938 £tq.	Jan.-June 1937 £tq.	Difference £tq.
Imports	75,584,043	48,008,776	+27,575,267
Exports.. . . .	55,312,449	54,909,229	+ 403,220
Trade balance	-20,271,594	+ 6,900,453	-27,172,047

The total value of the foreign trade for the period under review has advanced by 20 per cent over the figure for the corresponding period of 1937,

but there was a considerable adverse balance whereas in 1937 it was favourable. This is accounted for by the fact that imports have increased much more than exports—by 37 per cent as against 1 per cent. This is due to the new import regulations which have replaced the quota system since July, 1937.

The deficit shown at the end of June, 1938, is not necessarily an indication of the results at the close of the year, since exports of Turkish products, which are chiefly agricultural, are practically confined to the second half of the year. Although the deficit was particularly high for the first six months of 1938, it is noteworthy that the crops as a whole are estimated at from 15 to 20 per cent above those of last year.

PRINCIPAL IMPORTS

The following table shows the principal imports into Turkey for the six months ended June 30, 1938 and 1937:—

	Jan.-June, 1938 £tq.	Jan.-June, 1937 £tq.
Total	75,584,043	48,008,776
Yarn and cottons	10,103,858	8,739,561
Iron and steel, crude and worked	9,209,169	4,480,767
Motors and machines	7,250,608	4,220,657
Locomotives and wagons	4,409,873	723,458
Yarn and woollens	3,663,972	2,303,984
Sugar	3,533,926	520,642
Oil, petrol, petroleum	2,284,778	1,685,011
Coffee and tea	1,317,860	1,457,323

CHIEF EXPORTS

Turkey's chief exports during the first half of 1938 and 1937 were the following:—

	Jan.-June, 1938 £tq.	Jan.-June, 1937 £tq.
Total	55,312,449	54,909,229
Leaf tobacco	13,682,587	10,817,190
Raw cotton	4,546,331	4,458,603
Shelled hazelnuts	4,378,741	4,164,490
Wheat	3,738,670	5,326,754
Dried raisins	3,443,372	2,095,084
Chromium (ore)	2,540,686	1,678,292
Barley	2,297,174	1,813,095
Rye, millet, canary seed	1,910,951	2,526,073
Raw hides	1,515,866	1,399,354
Valonia and valex	1,321,467	1,576,552
Mohair	1,284,101	2,604,355
Coal	1,181,761	861,582
Dried vegetables	838,673	445,489
Olive oil	815,587	12,138
Wool	687,527	3,268,059
Timber	602,314	501,858
Lead and zinc (ore)	460,858	1,110,124
Dried figs	446,102	176,237
Eggs	431,451	392,757
Opium	388,842	810,974

DISTRIBUTION OF TRADE

The chief countries from which Turkey imported goods during the period under review were, in order of importance: Germany, the United States, Great Britain, Czecho-Slovakia, Italy, Russia, Belgium, Sweden, British India, Poland, and France. Germany, with 42·55 per cent of total imports, ranked first, far ahead of her nearest rival, the United States, whose share was represented by 14·22 per cent.

The principal purchasers of Turkish products were, in order of importance: Germany, Italy, Czecho-Slovakia, the United States, France, Great Britain, Greece, Belgium, and Russia.

COAL MARKETS IN PERU AND CHILE

S. G. MACDONALD, ACTING CANADIAN TRADE COMMISSIONER

Peru

(The Peruvian sol averaged about four to the Canadian dollar in 1937; in 1938 the rates have fluctuated from 4·12 early in the year to 5·2 in September, with a later reaction to about 4·75.)

Lima, November 19, 1938.—Although Peru produces the major portion of her coal and coke requirements, for a number of years past it has been necessary to import important quantities from other countries, principally Chile. Peruvian production is in the neighbourhood of 80,000 to 90,000 metric tons annually, of which the larger portion is bituminous coal. Statistics issued by the Ministry of Public Works for 1936 (the last year for which statistics are available) indicate a production of 89,662 metric tons, of which 86,087 tons were bituminous and 3,535 tons anthracite.

IMPORTS

In more recent years, and up to 1936, the amount of Chilean coal entering the Peruvian market increased annually on account of the low exchange value of Chilean pesos. This situation allowed Chilean producers to under-quote offerings from other countries. In 1935, of imports totalling 20,319 metric tons valued at 272,923 soles, Chile supplied 18,297 tons valued at 222,888 soles. Among other suppliers, Germany with 1,292 tons valued at 33,229 soles and the United Kingdom with 715 tons valued at 16,510 soles were the most important.

In 1936, owing to labour difficulties in Chile, imports of coal into Peru from that country were reduced considerably. Out of total imports of 19,071 metric tons valued at 300,214 soles, the Chilean share was cut to 8,054 tons; while the United States, Great Britain, and Australia assumed leading positions as suppliers to the extent of some 3,573 tons, 3,398 tons, and 2,717 tons respectively. Germany with 1,264 tons and Belgium with 62 tons supplied the balance. Imports of coke during the same year totalled 2,254 tons valued at 71,852 soles, of which Germany supplied 2,000 tons valued at 56,269 soles, Great Britain 244 tons, and Chile the balance, or 10 tons.

In 1937 imports were reduced to 12,126 metric tons valued at 309,430 soles, the United States and Great Britain dominating the market with 5,648 tons valued at 129,395 soles and 4,466 tons valued at 125,293 soles respectively. Germany was in third place with 1,969 tons valued at 53,901 soles. Chile supplied practically all of the small balance—43 tons valued at 620 soles. Coke imports for 1937 totalled 3,280 tons valued at 142,601 soles, of which Germany was the chief supplier with 3,115 tons, followed by Great Britain and Chile with 155 tons and 11 tons respectively.

PRESENT POSITION

At the end of 1937 it was expected that, with labour difficulties in the Chilean mining companies settled, a much greater share of the Peruvian coal market would again be obtained by Chile, but difficulties of production and distribution, together with increased local demand in 1938, have again placed Chile in a minor position of importance as a coal supplier to Peru. In the trade it is estimated that from 12,000 to 14,000 tons have been imported so far this year, of which approximately two-thirds were of United States origin and most of the balance from Great Britain.

If adjustments leading to an important increased production were feasible in the Chilean coal industry, it would be possible to maintain steady shipments

to Peru, as the southern republic operates a small line of coal carriers along the west coast of South America delivering, as is customary in the trade here, in cargo lots. As a result, transportation is simplified and freights are considerably lower than on shipments from North America or Europe. The question of Chilean production in the near future is dealt with in the section of this report covering market conditions in Chile.

DUTIES, PRICES, AND TYPES REQUIRED

Coal and coke entering Peru are dutiable at 0.0025 sol per gross kilo, a rate considered of negligible importance by the trade. Although coal from the United States and Great Britain usually runs higher in price than that from Chile, recent quotations of about \$10.50 c.i.f. Callao per ton for Kentucky coal have been acceptable. The main type of coal imported is known locally as "egg coal, 2 by 5." Recent shipments from the United States include two types, "Kentucky Pond Creek" and "Kentucky Power King." Importers in Peru find buyers extremely particular, rendering business difficult, as they are continually met with claims for adjustments on account of slacking, etc. Analysis of the two Kentucky coals mentioned above are appended for the information of prospective Canadian exporters:—

	Kentucky Pond Creek	Kentucky Power King
Moisture	1.13	1.55
Volatile	35.23	36.46
Carbon	59.17	58.70
Ash	4.47	3.29
Sulphur	0.65	0.58
B. T. U.	14,400	14,600
Fusion point (ash)	2775°F	2850°F

Canadian collieries desirous of exporting to the Peruvian market are invited to communicate with the Canadian Trade Commissioner in Lima, who will supply a list of firms interested in the importation of coal into Peru.

Chile

(In 1937 the Chilean peso was valued at approximately 5 cents Canadian; in 1938 the value has been slightly over 4 cents; the gold peso equals 4 paper pesos; one metric ton equals 2,204 pounds.)

The Chilean coal industry dates back to 1852 and 1874, when production first commenced in the mines at Lota and Schwager (Coronel) respectively. These mines have been steadily exploited, and in recent years their annual production has been about 1,100,000 metric tons and 700,000 metric tons respectively. In addition, about 200,000 tons have been produced yearly in latter years at Lebu and Cosmitos and Lirquen. In 1937 total production amounted to 2,000,000 tons, a slight advance over 1,870,749 tons in 1936, 1,899,935 tons in 1935, and 1,803,871 tons in 1934, but an increase of about 25 per cent over the 1933 production of 1,540,615 tons.

PROTECTION TO THE COAL INDUSTRY

In 1928 a progressive tax of 3 gold pesos per ton of petroleum imported into Chile was imposed to protect the coal industry. This tax reached a maximum of 21 gold pesos in 1934, but subsequently it was reduced to a flat rate of 12 gold pesos per ton of foreign petroleum. In addition to the protection against petroleum, the coal industry is further protected against coal imports

by a tariff of 11·20 gold pesos per ton, while by virtue of the restrictions imposed by the Exchange Control Commission, the imported product could not compete in price with domestic coal. In recent months, owing to difficulties of distribution and unexpected demand, there was agitation for repeal of the tariff on imported coal, but without success.

PRICES

In April, 1938, prices of coal per ton f.o.b. Lota advanced from rates quoted in August, 1937: screened coal, 110 pesos per ton; run-of-mine, 100 pesos; and small coal, 90 pesos. In April, 1938 the three types were quoted at 125 pesos, 115 pesos, and 100 pesos respectively. Up to the present the rates set in April, 1938, have remained unchanged. Bunker run-of-mine coal was quoted by one company from January to April of this present year at 21s. per ton at Coronel and 28s. per ton at San Antonio. Another leading supplier quoted 20s. per ton until April for bunker coal at Coronel and 30s. on launches alongside the coaling ship at Valparaíso, Iquique, Antofagasta, and San Antonio. Since April, quotations by the two leading companies have been 23s. per ton at Coronel for run-of-mine coal, while one of them has been quoting 33s. for screened coal at all ports north of Coronel. The loading capacity at that port is approximately 2,000 tons per day.

COAL PRODUCERS AND PRODUCTION PROSPECTS

The two leading coal-producing companies in Chile, namely, Cia. Carbonífera e Industrial de Lota and Cia. Carbonífera y de Fundición Schwager, located at Lota and Schwager (Coronel), have a daily production capacity of 3,500 tons and 2,400 tons respectively. The former usually carries about 5,000 tons or the production of a day and a half in stock or in transit, and the latter about 17,000 tons. A report released by the Department of Mines and Petroleum of Chile indicates that the prospects of increased production by these two companies are limited by the extraction capacity of the pits and the working day of the miner. It is believed, however, that production of the Lota Company, under present labour conditions, might be increased by about 100 tons daily, and that of the Schwager Company by not more than an equivalent percentage of output.

In brief the report states that the prospects for increased production of heavy coal do not exceed a possible 5 per cent. Stocks in May last totalled 41,700 tons as compared with 68,200 tons in May, 1937, indicating a greatly increased consumption. In considering this increased consumption, however, the stocks held by the leading consumers, such as the State Railways, the gas and electric companies, and manufacturing industries, must be taken into account. Nevertheless, with the prospects for important production increases slight, and those for increased domestic consumption definitely expected in view of the rapidly expanding industrial activity in Chile, it would appear that exports will continue to fall off.

In 1936 coal exports totalled 115,019 gross tons, while in 1937 this figure was reduced to but 47,631 gross tons, of which practically the entire quantity was sold as bunkering to foreign ships. Consequently opportunities for coal sales to Peru from other countries—following the enforced relinquishment by Chile of the dominant position as a supplier from abroad during the past two years and the slight likelihood of her regaining that position in the near future—are excellent.

FOREIGN TRADE OF BOLIVIA IN 1937

S. G. MACDONALD, ACTING CANADIAN TRADE COMMISSIONER

(One metric ton equals 2,204 pounds; one kilo equals 2·2 pounds)

Lima, Peru, November 16, 1938.—The year 1937 was one of great activity for Bolivian foreign trade. During the fiscal year, according to the Banco Central de Bolivia, the total value of exports through the five principal customs houses amounted to £9,011,124 sterling, exclusive of gold shipments valued at £266,272. This figure exceeded the value for any recent year and was only surpassed in 1927 and 1929, when export values were £9,531,249 and £10,500,134 respectively. However, for proper evaluation the difference between the gold pound of former years and the paper pound effective since 1931 should be taken into consideration. The figure for 1937 does not include exports through the customs houses of the northeast and east, which have not yet been made available and which will increase the 1937 total to some extent.

The value of exports in 1937 increased by approximately 30 per cent over that of the previous year, when they totalled £6,974,568 (five principal customs houses). Minerals account for 98 per cent of the total value of exports, shipments in 1937 amounting to 67,493,300 fine kilos as compared with 64,566,397 kilos in the previous year, or an increase of 4·53 per cent. In 1935 exports of minerals totalled 49,383,560 kilos.

Tin continues to be the most important factor in Bolivian economy, although declining somewhat in importance in recent years. This is indicated by comparing the percentage of total exports represented by tin in the past three years. In 1937 this amounted to 68·18 per cent, a decrease from 71·4 per cent in 1936 and 77·82 per cent in 1935. Other minerals represented 27·84 per cent of the total exports in 1937, while other products, not mineral, accounted for only 2·23 per cent and re-exports for 1·75 per cent.

TIN EXPORTS

Bolivian tin producers are members of the International Tin Cartel and as such were allotted 49,844 metric tons for 1937; actual exports totalled 25,530 metric tons. The smallest volume of exports was in May—1,582 metric tons—despite the prevailing high price in that month of about £250 per long ton of 2,240 pounds. In December exports reached a total of 2,847 metric tons, only exceeded by that of December, 1935; the price was around £190. Compared with previous years, exports were slightly greater in volume in 1937, as the following figures indicate: 1934, 23,200 tons; 1935, 25,402 tons; 1936, 24,460 tons; and 1937, 25,530 tons. The net increase in 1937 over the previous year was 1,094 tons or 4·47 per cent, while the value increased by £1,182,265 or 23·83 per cent.

From July, 1937, exporters of tin received 60 bolivianos for each pound sterling delivered to the State, and were therefore on the same footing as other exporters. According to the Banco Central de Bolivia, the system in effect in the republic, whereby tin exporters are required to deliver smaller percentages of their foreign exchange as the quantity exported increases and thus receive a higher price therefor, has given satisfactory results.

EXPORTS OF OTHER METALS

Generally speaking, the exports of other metals increased appreciably in 1937 both in quantity and value. Lead exports advanced 3,669,666 fine kilos or by 25·25 per cent, while in value the increase amounted to £171,877 or 68·27 per cent. Exports of tungsten increased by 37,408 fine kilos or 3·58 per cent

in quantity and by £167,129 or 104·30 per cent in value. The advance in antimony exports in 1937 over the previous year amounted to 562,102 fine kilos or 8·56 per cent, while value increased by £51,923 or 24·43 per cent. Copper exports increased by 483,232 fine kilos or 15·03 per cent, with an added value of £83,311 or 67·90 per cent.

Zinc exports by quantity fell by 2,105,835 fine kilos or 8·46 per cent, but owing to high prices obtaining, particularly in the early months of the year, there was a value increase of £65,772 or 32·75 per cent as compared with 1936. Silver and bismuth exports also were reduced quantitatively, the former by 24,031 fine kilos or 7·56 per cent and the latter by 32,032 fine kilos or 51 per cent. Reductions in value also occurred in these two metals of £49,205 or 6·34 per cent and £14,141 or 51 per cent respectively.

In 1937 there were exported 128 fine kilos of gold, contained in other minerals or complex gold ores, worth £188,356, a not inconsiderable sum when it is considered that in previous years no declarations of exports were made for such complex gold ores, with evident loss of revenue to the State. A decree of June, 1937, remedied this situation and brought about the increase in gold exports and the resulting increase in deliveries of foreign exchange to the Government.

FOREIGN EXCHANGE DELIVERIES

During 1937, foreign exchange deliveries made by exporters to the State, which are concentrated in the Bank of Emission, reached a total of £2,951,821. Of this amount exporters of tin supplied £2,223,315, while exporters of other minerals and other products supplied £728,505, the monthly average for the total of the deliveries being £245,985. The average for tin exporters amounted to £185,276, and for all others £60,708.

From January to May inclusive exporters of tin ores received 37·50 bolivianos per pound sterling; in June 37·50 and 60 bolivianos; and from July to December, 60 bolivianos. Other exporters received per pound sterling 50 bolivianos, 50 and 60 bolivianos, and 60 bolivianos for the comparative periods.

IMPORTS

According to information obtained from the Bolivian Director General of Statistics, the total value of imports during the first half of 1937 was £1,965,488. Estimates of the Banco Central de Bolivia for the second half of the year indicate that a much higher total might have been reached, as during that period Bolivia was not subject to such stringent import restrictions as were in effect earlier or during 1938 following legislation at the end of 1937. An examination of customs returns tends to bear out this estimate. In 1936 (the last year for which details are available) imports into Bolivia were valued at £4,159,816. By general classifications these imports were divided as follows: live animals, £86,398; foodstuffs and beverages, £773,119; articles of prime necessity, £595,125; manufactured products, £2,708,137. The ten leading suppliers during that year in order of values were: United States, £1,214,713; Argentina, £576,624; Germany, £526,811; Great Britain, £451,403; Peru, £359,214; Japan, £259,093; Chile, £193,958; Belgium, £134,367; Netherlands, £62,588; Brazil, £60,076. Canada ranked twenty-second with a total of £5,269.

Bolivia continued to import articles of prime necessity to considerable value, chief among them being wheat and sugar. Agreements were signed by the Government with the flour-milling companies in order to encourage the production of wheat in the valleys and eventually make the country self-sufficient in this commodity.

In view of the need for importing fairly large quantities of articles of prime necessity during the past two years, successive Bolivian Governments have

exerted every effort to make the country independent of foreign supplies of these commodities. This policy will no doubt be continued, as sufficient encouragement has been given to the Government by the results so far achieved.

TRADE WITH CANADA

Statistics prepared by the Dominion Bureau of Statistics at Ottawa covering the calendar year 1937 show imports from Bolivia into Canada valued at \$58,495, of which shelled nuts accounted for \$56,549 and cattle hides for \$1,845. Exports to Bolivia from the Dominion were valued at \$133,150, and consisted of a number of commodities, the most important being, in order of value: tires, \$64,710; Douglas fir planks and boards, \$12,042; newsprint, \$10,160; canned salmon, \$8,130; electric apparatus, \$6,458; aluminium manufactures, \$6,254; inner tubes for tires, \$5,702; settlers' effects, \$5,000; evaporated and condensed milk, \$4,128; and insulated copper wire and cable, \$2,234. Other items of lesser value include hardware, machinery, farm implements, rubber products (various), whisky, and wheat flour.

Canadian trade with Bolivia has never reached important levels, but since the beginning of the period of depression through which Bolivia has been passing as a result of the war with Paraguay opportunities for increased sales of Canadian products have been few. Generally speaking, in 1937 economic conditions were better than for a number of years, but subsequently Bolivia has experienced great financial difficulties, resulting in stringent import restrictions being put into effect. Consequently little prospect is held out for an improved trading position in 1938 as compared with 1937.

BRITISH TRADE COMMISSIONERS IN CANADA

Canadian importers and others desirous of obtaining information regarding the export trade of the United Kingdom and Canadian firms desirous of representing British manufacturers in Canada are invited to communicate with the undermentioned:—

The Senior British Trade Commissioner in Canada and Newfoundland, 1111 Beaver Hall Hill, Montreal, Que. Telegraphic address: "Britcom."

The British Trade Commissioner in the Maritime Provinces and Newfoundland, 1111 Beaver Hall Hill, Montreal, Que. Telegraphic address: "Britcom."

The British Trade Commissioner (for Ontario), 901-905 Bank of Hamilton Building, Toronto, Ont. Telegraphic address: "Toroncom."

The British Trade Commissioner (for Alberta and British Columbia), 850 West Hastings Street, Vancouver, B.C. Telegraphic address: "Vancom."

The British Trade Commissioner (for Manitoba, Saskatchewan and Northwest Ontario), 703 Royal Bank Building, Winnipeg, Man. Telegraphic address: "Wincom."

AUSTRALIAN MOTOR VEHICLE IMPORT QUOTAS FOR 1939-40

With reference to the notification published in *Commercial Intelligence Journal* No. 1789 (May 14, 1938), page 783, and as regards the continuation of restrictions on the importation of motor vehicle chassis into Australia, Mr. L. M. Cosgrave, Canadian Trade Commissioner in Sydney, has forwarded a copy of a Licensing Instruction, issued October 20, 1938, specifying quota conditions for the twelve months beginning May 1, 1939. It is stated in the Instruction that:

Permits may be issued for the importation of motor vehicle chassis from notified countries during the period 1st May, 1939, to 30th April, 1940, on the basis of the quantity imported during the twelve months ended 30th April, 1936.

Each permit issued should bear the following endorsement: "This permit is issued on the condition that any importations made thereunder will be reasonably consistent with the current demands in Australia and also on condition that details showing stocks on hand, importations, and sales are made available confidentially to the Collector of Customs monthly."

It is not intended to permit any portion of the 1938-39 quota of motor vehicle chassis to be carried over and imported during the 1939-40 quota year. The 1938-39 quota permits issued definitely expire on 30th April, 1939, and will not therefore cover any motor vehicle chassis imported on or after 1st May, 1939.

It has been decided to permit the importation during April, 1939, of a portion not exceeding in quantity 5 per cent of the 1939-40 quota, provided the chassis so imported remain in customs bond until 1st May, 1939. Collectors are authorized to issue permits on the above-mentioned basis to importers who desire to take advantage of the concession. Such importations must be debited against the 1939-40 quota.

NEW ZEALAND TARIFF DECISIONS

Recent decisions of the New Zealand Department of Customs as to the classification and rates of duty on articles regarding which question had been raised include the following:—

Washing machines, rotary, divided either horizontally or vertically into two or more compartments, are approved for admission under tariff item No. 352, free of duty under British preferential tariff (applicable to Canada), 20 per cent ad valorem when from most-favoured nations, 25 per cent plus 22½ per cent of duty when from other non-British countries.

Washing machines (other than rotary types divided either horizontally or vertically into two or more compartments) specially suited for laundry use, including electrical wall-plugs, switches, belting, and armoured piping imported therewith as fittings therefor, 20 per cent ad valorem under British preferential tariff, 30 per cent when from Canada or Australia, 50 per cent plus 22½ per cent of duty when from any non-British country (item 353-6-b).

Stationary oil engines (other than compression-ignition types) (a) having a rated power of 10 b.h.p. or over, or (b) having a rated speed of 600 r.p.m. or over, approved for admission under tariff item No. 352, free of duty under British preferential tariff (applicable to Canada), 20 per cent ad valorem when from most-favoured nations, 25 per cent plus 22½ per cent of duty when from other non-British countries.

Marine oil engines (other than compression-ignition types) are also approved for admission under item 352 (see rates quoted in preceding paragraph). Propellers, stern tubes, shafting, and brackets imported with engines are to be separately classified under their appropriate tariff items except in the case of marine out-board motors.

Bi-metallic thermometers or heat indicators, suited for use as oven temperature indicators in electric ranges for domestic use, free of ordinary duty (but 3 per cent ad valorem primage duty) under British preferential tariff (applicable to Canada), 20 per cent ad valorem under general tariff (item 342).

Air-guns, air-pistols, and air-rifles of all kinds, 20 per cent ad valorem under British preferential tariff, 20 per cent plus 22½ per cent of duty when from Canada, 50 per cent plus 22½ per cent of duty under general tariff (item 239).

Reflectors or shades of enamelled iron, of textile and wire, or of vellum and wire, for electric lamps, 20 per cent ad valorem under British preferential tariff, 30 per cent when from Canada or Australia, 50 per cent plus 22½ per cent of duty under general tariff (item 356-1-b).

Canadian goods under the items quoted above, accompanied by the prescribed certificate of origin and shipped in accordance with New Zealand regulations, are subject to the duties stated for Canadian goods. The British preferential tariff applies to United Kingdom and Crown Colonies, and the general tariff to all countries outside the British Empire except where a rate for "most-favoured nations" is stated. "Most-favoured nations" are Argentina, Belgium, Brazil, China, Czecho-Slovakia, Egypt, Finland, Germany, Greece, Hungary, Italy, Japan, Netherlands, Norway, Spain, Sweden, and Switzerland.

FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING DEC. 27, 1938

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Tuesday, December 27, 1938, and for the week ending Monday, December 19, 1938, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending Dec. 19	Nominal Quotations in Montreal Week ending Dec. 27	Official Bank Rate
Austria	Schilling	.1407	. . . . .	. . . . .	—
Belgium	Belga	.1001	\$.1700	\$.1703	2½
Bulgaria	Lev	.0072	.0125	.0125	6
Czecho-Slovakia	Koruna	.0296	.0345	.0347	3
Denmark	Krone	.2680	.2107	.2104	4
Finland	Markka	.0252	.0208	.0207	4
France	Franc	.0392	.0265	.0266	2½
Germany	Reichsmark	.2382	.4047	.4052	4
Great Britain	Pound	4.8666	4.7182	4.7130	2
Greece	Drachma	.0130	.0087	.0086	6
Holland	Guilder	.4020	.5485	.5492	2
Hungary	Pengo	.1749	.2989	.2991	4
	Unofficial		.1982	.1985	—
Italy	Lira	.0526	.0531	.0531	4½
Yugoslavia	Dinar	.0176	.0229	.0230	5
Norway	Krone	.2680	.2371	.2368	3½
Poland	Zloty	.1122	.1906	.1910	4½
Portugal	Escudo	.0442	.0428	.0429	4-4½
Roumania	Leu	.0060	.0074	.0074	3½
Spain	Peseta	.1930	.0489	.0514	5
Sweden	Krona	.2680	.2430	.2427	2½
Switzerland	Franc	.1930	.2283	.2281	1½
United States	Dollar	1.0000	1.0093	1.0106	1
Mexico	Peso	.4985	.2013	.2035	3
Cuba	Peso	1.0000	1.0087	1.0090	—
Guadeloupe	Franc	.0392	.0265	.0266	—
Jamaica	Pound	4.8666	4.7283	4.7230	—
Martinique	Franc	.0392	.0265	.0266	—
Other British West Indies	Dollar	1.0138	.9830	.9819	—
Argentina	Peso (Paper)	.4245	.3145	.3143	3½
	Unofficial		.2291	.2309	—
Brazil	Milreis (Paper)	.1196	.0590	.0592	—
British Guiana	Dollar	1.0138	.9830	.9819	—
Chile	Peso	.1217	.0523	.0522	4½
	Unofficial		.0404	.0404	—
Colombia	Peso	.9733	.5751	.5767	4
Peru	Sol	.2800	.2019	.2021	6
Venezuela	Bolivar	.1930	.3129	.3133	—
Uruguay	Peso	1.0342	.6208	.6207	—
South Africa	Pound	4.8666	4.7124	4.7072	3½
Egypt	Pound (100 Piastres)	4.9431	4.8349	4.8300	—
China (Shanghai)	Dollar	. . . . .	.1626	.1663	—
Hongkong	Dollar	. . . . .	.2946	.2945	—
India	Rupee	.3650	.3524	.3520	3
Japan	Yen	.4985	.2751	.2746	3.29
Java	Guilder	.4020	.5487	.5494	—
Siam	Baht (Tical)	.4424	.4320	.4315	—
Straits Settlements	Dollar	.5678	.5487	.5480	—
Australia	Pound	4.8666	3.9746	3.7700	3
New Zealand	Pound	4.8666	3.7897	3.7850	4

The Dominion Bureau of Statistics has supplied the following note:—

Foreign exchange dealings were at a minimum during the week ended December 24. From an opening level of \$4.7182 the pound sterling dipped to \$4.7071 on December 21, but had recovered to \$4.7117 on the 24th. Lessening pressure on sterling was expected to follow the official "tightening up" of restrictions on foreign loans. Further repatriation of French capital gave added strength to the franc during the past week. A London-Paris cross rate of 177¾ francs to the pound was reported, the best quotation in several weeks. The Belgian belga and Netherlands florin gained 3 and 5 points respectively between December 19 and 24, while the Swiss franc dropped 1 point during the same interval. United States dollars moved up ½ on the week, closing at a premium of 1 per cent.

TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

Secretary, Board of Trade—

Saint John, N.B.
Halifax, N.S.
Quebec, P.Q.
Montreal, P.Q.
Toronto, Ont.
Chatham, Ont.

Kitchener, Ont.
Brantford, Ont.
Stratford, Ont.
Woodstock, Ont.
St. Mary's, Ont.
Portage la Prairie, Man.

St. Boniface, Man.
Winnipeg, Man.
Vancouver, B.C.
New Westminster, B.C.

Secretary, Chamber of Commerce—

Sherbrooke, P.Q.
Kingston, Ont.
Oshawa, Ont.
Belleville, Ont.

Peterborough, Ont.
London, Ont.
St. Catharines, Ont.
Hamilton, Ont.

Victoria, B.C.
Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.—

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

Secretary, Canadian Manufacturers Association—

Toronto, Ont.
Montreal, P.Q.

Winnipeg, Man.
Edmonton, Alta.

Vancouver, B.C.
Victoria, B.C.

Director, Trade Extension, Victoria, B.C.

Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.

Commodity	No.	Location of Inquirer	Purchase or Agency
Foodstuffs—			
Candy.....	630	Hamilton, Bermuda.....	Agency.
Miscellaneous—			
Soap.....	631	Sliema, Malta.....	Agency.
Beauty Preparations.....	632	Sliema, Malta.....	Agency.
Hosiery.....	633	Valletta, Malta.....	Agency.
Underwear.....	634	Valletta, Malta.....	Agency.
Playing Cards.....	635	Nicosia, Cyprus.....	Purchase and Agency.
Toilet Paper.....	636	Sliema, Malta.....	Agency.
Wrapping Paper.....	637	Sliema, Malta.....	Agency.
Bolts and Nuts.....	638	Bristol, England.....	Purchase.
Bolts and Nuts.....	639	Stourbridge, England.....	Purchase.
Lock Furniture.....	640	Willenhall, Staffordshire, England.....	Purchase.
Natural Stone.....	641	Overschie, Holland.....	Purchase.
Beech Stock for the Manufacture of Brushware.....	642	Johannesburg, South Africa	Purchase.

PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

From Saint John

To Liverpool.—Duchess of York, Jan. 6; Duchess of Atholl, Jan. 13; Duchess of Bedford, Jan. 20; Montclare, Jan. 27; Montrose, Feb. 3; Duchess of Richmond, Feb. 10—all Canadian Pacific.

To London.—Beaverburn, Jan. 5; Beaverbrae, Jan. 12; Beaverhill, Jan. 19; Beaverdale, Jan. 26; Beaverford, Feb. 2—all Canadian Pacific.

To Manchester.—Manchester Commerce, Jan. 5; Manchester Progress, Jan. 12; Manchester Citizen, Jan. 19; Manchester City, Jan. 26; Manchester Division, Feb. 2; Manchester Port, Feb. 9—all Manchester Line.

To Avonmouth, Cardiff and Swansea.—Dorelian, Dec. 31; Dakotian, Feb. 2—both Cunard-Donaldson and Dominion Lines.

To Glasgow.—Delilian, Jan. 7; Norwegian, Jan. 21; Sulairia, Feb. 4—all Donaldson-Atlantic Line.

To Newcastle and Leith.—Cairnvalona, Jan. 3; Cairnglen (calls at Dundee), Jan. 10; Cairnesk, Jan. 24; Cairnmona, Jan. 31; Cairnross (also calls at Dundee), Feb. 7—all Cairn-Thomson Line.

To Dublin and Belfast.—Melmore Head, Head Line, Jan. 10 (cargo accepted for Cork and Londonderry).

To Hamburg.—Beaverdale, Jan. 26; Beaverhill, Feb. 23—both Canadian Pacific.

To Antwerp.—Beaverhill, Jan. 19; Beaverburn, Feb. 16—both Canadian Pacific.

To Marseilles, Genoa, Leghorn, Naples, Messina, Palermo, Gibraltar and Lisbon.—Capo Olmo, Jan. 18; Capo Lena, Feb. 22—both Capo Line (will also call at Cadiz and/or Seville and/or Casablanca if sufficient cargo offers).

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Nelson, Jan. 4; Lady Hawkins, Jan. 18; Lady Drake, Feb. 1—all Canadian National; a steamer, Ocean Dominion SS. Corp., Jan. 6 and 20 (does not call at Nevis or Montserrat).

To Kingston and Jamaican Outports.—Metapan, Jan. 14; Esparta, Jan. 28; San Jose, Feb. 11—all United Fruit Co.

To Brisbane, Sydney, Melbourne and Adelaide.—Port Nicholson, Jan. 30; Kaipara, Feb. 25—both Montreal Australia New Zealand Line (will also call at Geelong).

To Auckland, Wellington, Lyttelton and Dunedin.—Kaimata, Jan. 7; Port Halifax (also calls at Bluff), Jan. 31—both Montreal Australia New Zealand Line.

To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Madras, Rangoon, Calcutta and Singapore.—Urbino, Canada-India Service, Jan. 14.

To Cape Town, Port Elizabeth, East London and Durban.—North Cornwall, Jan. 9; Daldorch, Jan. 17; a steamer (calls at Freetown, Lourenco Marques and Beira), Jan. 31—all Elder Dempster Lines Ltd.

From Halifax

To Liverpool.—Duchess of York, Jan. 7; Duchess of Atholl, Jan. 14; Duchess of Bedford, Jan. 21; Montclare, Jan. 28; Montrose, Feb. 4; Duchess of Richmond, Feb. 11—all Canadian Pacific; Newfoundland, Jan. 24; Nova Scotia, Feb. 11—both Furness Line; Manchester Exporter, Jan. 14; Manchester Producer, Feb. 1—both Manchester Line.

To London.—Beaverburn, Jan. 6; Beaverbrae, Jan. 13; Beaverhill, Jan. 20; Beaverdale, Jan. 27; Beaverford, Feb. 3—all Canadian Pacific; Ascania, Jan. 14; Ausonia, Jan. 21; Aurania, Feb. 4—all Cunard-White Star Line.

To Manchester.—Manchester Commerce, Jan. 7; Manchester Progress, Jan. 14; Manchester Citizen, Jan. 21; Manchester City, Jan. 28; Manchester Division, Feb. 4; Manchester Port, Feb. 11—all Manchester Line.

To Newcastle and Leith.—Cairnvalona, Jan. 5; Cairnglen (also calls at Dundee), Jan. 12; Cairnesk, Jan. 26; Cairnmona, Feb. 2; Cairnross (also calls at Dundee), Feb. 9—all Cairn-Thomson Line; Consuelo, Jan. 11; Bassano, Jan. 28; Gitano, Feb. 15—all Ellerman's Wilson Line (do not call at Leith).

To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.—Boston City, Jan. 11; Montreal City, Jan. 23; New York City, Feb. 11—all Bristol City and Dominion Lines; Dorelian, Jan. 4; Dakotian, Feb. 4—both Cunard-Donaldson and Dominion Lines.

To Aberdeen and Hull.—Consuelo, Jan. 11; Bassano, Jan. 28; Gitano, Feb. 15—all Ellerman's Wilson Line.

To Glasgow.—Delilian, Jan. 10; Norwegian, Jan. 24; Sulairia, Feb. 7—all Donaldson-Atlantic Line.

To Copenhagen and Gdynia.—Batory, Gdynia-American Line, Jan. 21.

To Gothenburg.—Drottningholm, Swedish-American Line, Jan. 23.

To Antwerp.—Beaverhill, Jan. 20; Beaverburn, Feb. 17—both Canadian Pacific.

To Hamburg.—Beaverdale, Jan. 27; Beaverhill, Feb. 24—both Canadian Pacific.

To St. John's, Nfld.—Fort Amherst, Furness-Red Cross Line, Jan. 2, 16 and 30 (also calls at St. Pierre); Portia, Newfoundland Ry. and SS. Co., Jan. 4 and 18; Newfoundland, Jan. 24; Nova Scotia, Feb. 11—both Furness Line; Belle Isle, Jan. 9 and 23, Feb. 6 (also calls at St. Pierre); Magnhild, Jan. 12 and 26, Feb. 9 (also calls at St. Pierre and Newfoundland outports)—both Newfoundland-Canada SS. Ltd.

To Hamilton, Nassau, Kingston and Belize.—Lady Somers, Jan. 5; Cathcart (calls at Kingston only), Jan. 13; Lady Rodney, Jan. 19; Cavelier (calls at Kingston only), Jan. 27—all Canadian National.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Nelson, Jan. 12; Lady Hawkins, Jan. 26; Lady Drake, Feb. 9—all Canadian National; a steamer, Ocean Dominion SS. Corp., Jan. 9 and 23; Feb. 6 (do not call at Nevis or Montserrat).

To Puerto Rico, Barbados, Trinidad and Demerara.—Chomedy, Jan. 14; Colborne, Jan. 28—both Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To Santiago (Cuba) and Kingston (Jamaica).—Kirsten B, Jan. 11; Lillemor, Jan. 25; Lillgunvor, Feb. 8—all Pickford & Black Ltd (also call at Jamaican outports as cargo offers).

To Brisbane, Sydney, Melbourne and Adelaide.—Port Nicholson, Jan. 17; Kaipara, Feb. 15—both Montreal Australia New Zealand Line (will also call at Geelong).

To Auckland, Wellington, Lyttelton and Dunedin.—Kaimata, Jan. 21; Port Halifax, Feb. 10—both Montreal Australia New Zealand Line.

To Far East Ports.—Silverash, Silver Line, Jan. 9; Cingalese Prince, Furness-Prince Line, Jan. 21.

From Vancouver

To Yokohama, Kobe and Osaka.—Hie Maru, Jan. 24; Heian Maru, Feb. 18—both Nippon Yusen Kaisha.

To Yokohama, Kobe, Shanghai, Hongkong and Manila.—Empress of Canada (calls at Honolulu), Jan. 7; Empress of Russia (calls at Nagasaki), Jan. 21; Empress of Japan (calls at Honolulu), Feb. 18; Empress of Asia (calls at Nagasaki), March 4—all Canadian Pacific; Tyndareus, Jan. 19; Ixion, Feb. 10—both Blue Funnel Line (call at Miike but not at Manila).

To Shanghai.—King James, North Pacific Shipping Co. Ltd., about Jan. 21.

To Tsingtao.—Hartington, North Pacific Shipping Co. Ltd., about Jan. 25.

To Taku Bar.—Forest, North Pacific Shipping Co. Ltd., February.

To Honolulu, Suva, Auckland and Sydney.—Aorangi, Jan. 18; Niagara, Feb. 15—both Canadian-Australasian Line.

To Manila, Iloilo, Cebu, Soerabaya, Samarang, Batavia, Colombo and Bombay.—Bengkalis (calls at Saigon, Singapore and Persian Gulf ports, also at Port Swettenham, Belawan Deli and Penang if cargo offers), Jan. 1; Salawati (calls at Belawan Deli, also at Singapore, Port Swettenham and Penang if cargo offers), Jan. 24; Hoegh Silverstar (calls at Saigon, Singapore and Persian Gulf ports, also at Port Swettenham, Belawan Deli and Penang if cargo offers), Feb. 1—all Silver-Java Pacific Line.

To Papeete, Auckland, Wellington and Sydney.—Tolten (also calls at Melbourne and Lyttelton), Canadian-Australasian Line, Jan. 9.

To Brisbane, Sydney, Melbourne and Adelaide.—Anten, Jan. 25; Bullaren, Feb. 26—both Empire Shipping Co. Ltd.

To London, Liverpool and Rotterdam.—Lochavon (also calls at Glasgow), Jan. 7; Lochkatrine, Jan. 21; Lochmonar (also calls at Glasgow), Feb. 4; Drechtdyk, Feb. 18—all North Pacific Coast Line (will call at Southampton if inducements offer).

To Antwerp, Hamburg and Bremen.—Tacoma, Jan. 1; Portland, Jan. 9; Vancouver, Jan. 30—all Hamburg-American Line; Schwaben, Jan. 18; Weser, Feb. 12—both North German Lloyd Line.

To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.—San Diego, Jan. 16; Barfleur, Jan. 16—both Empire Shipping Co. Ltd.

To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.—Leme, Jan. 2; Fella, Jan. 29; Rialto, Feb. 25—all Empire Shipping Co. Ltd.

To Cape Town, Port Elizabeth, Durban and Lourenco Marques.—Madoera, Jan. 8; Silverbelle, Feb. 6—both Silver-Java Pacific Line (call at Beira, East London and Calcutta, (will also call at Colombo and Madras if sufficient cargo offers); Jhelum, North Pacific Shipping Co. Ltd., about Feb. 1.

To Port of Spain (Trinidad) and Bridgetown (Barbados).—A steamer, Canadian Transport Co., January.

To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.—Hardanger, Jan. 27; Hoyanger, Feb. 26—both Empire Shipping Co. Ltd. (will call at West Coast ports if sufficient cargo offered).

Note.—Firms who desire information concerning ocean and mail services may have their names placed on the mailing list of the Post Office Weekly Bulletin by applying to the Post Office Department.

COMMERCIAL INTELLIGENCE SERVICE

L. D. WILGRESS, *Director*

CANADIAN GOVERNMENT TRADE COMMISSIONERS

Argentina

J. A. STRONG, B. Mitre 430, Buenos Aires (1). (Territory includes Uruguay.) *Cable address, Canadian.*

Australia

Sydney: L. M. COSGRAVE. Address for letters—P.O. Box No. 3952V. Office—City Mutual Life Building, Hunter and Bligh Streets. (Territory includes the Australian Capital Territory, New South Wales, Queensland, Northern Territory and Dependencies.) *Cable address, Canadian.*

Melbourne: FREDERICK PALMER. Address for letters—Box 196C, G.P.O. Office—Safe Deposit Office Building. (Territory includes States of Victoria, South Australia, Western Australia, and Tasmania.) *Cable address, Canadian.*

Belgium

YVES LAMONTAGNE, Shell Building, 60 Ravenstein Street, Brussels. *Cable address, Canadian.*

Brazil

L. S. GLASS. Address for letters—Caixa Postal 2164, Rio de Janeiro. Office—Ed. Da. "A. Noite," Sala 802, Praca Maua. *Cable address, Canadian.*

British India

PAUL SYKES. Address for letters—P.O. Box 2003, Calcutta. Office—23 Esplanade Mansions, Government Place East, Calcutta. (Territory includes Burma and Ceylon.) *Cable address, Canadian.*

British Malaya

B. C. BUTLER, Union Building, Singapore, Straits Settlements. (Territory includes the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India.) *Cable address, Canadian.*

British West Indies

Trinidad: M. B. PALMER. Address for letters—P.O. Box 125, Port of Spain. Office—Barclay's Bank Building. (Territory includes Barbados, Windward and Leeward Islands, and British Guiana.) *Cable address, Canadian.*

Jamaica: F. W. FRASER, P.O. Box 225, Kingston. Office—Canadian Bank of Commerce Chambers. (Territory includes Haiti, the Bahamas, and British Honduras.) *Cable address, Canadian.*

China

H. A. SCOTT. Address for letters—P.O. Box 264, Shanghai. Office—Ewo Building, 27 The Bund, Shanghai. Territory includes Central China and North China.) *Cable address, Canadian.*

Cuba

C. S. BISSETT. Address for letters—Apartado 1945, Havana. Office—Royal Bank of Canada Building, Calle Aguiar 75, Havana. (Territory includes Dominican Republic and Puerto Rico.) *Cable address, Canadian.*

Egypt

HENRI TURCOT. Address for letters—P.O. Box 1770, Cairo. Office—22 Shari Kasr el Nil, Cairo. (Territory includes the Sudan, Palestine, Cyprus, Iraq, Syria, Iran, Greece, Turkey, Bulgaria, and Roumania.) *Cable address, Canadian.*

France

HERCULE BARRÉ, Commercial Attaché, 3 rue Scribe, Paris (9). (Territory includes French Colonies in North Africa.) *Cable address, Cancomac.*

Germany

J. C. MACGILLIVRAY, 801 Columbus-Haus, Potsdamer Platz 1, Berlin W.9. (Territory includes Czechoslovakia and Poland.) *Cable address, Cantracom.*

Hongkong

V. E. DUCLOS. Address for letters—P.O. Box 80, Hongkong. Office—Hongkong and Shanghai Bank Building, Hongkong. (Territory includes South China, the Philippines, and Indo-China.) *Cable address, Canadian.*

Ireland

JAMES CORMACK, 66 Upper O'Connell Street, Dublin, Ireland (*cable address, Canadian*); and 36 Victoria Square, Belfast, Northern Ireland.

CANADIAN GOVERNMENT TRADE COMMISSIONERS—*Con.*

Italy

A. B. MUDDIMAN. Via Manzoni Nr. 5, Milan (102). (Territory includes Spain, Portugal, Gibraltar, Malta, Albania, and Yugoslavia.) *Cable address, Canadian.*

Japan

Tokyo: C. M. CROFT, Commercial Secretary. Address for letters—P.O. Box 18, Akasaka Post Office, Tokyo. Office—Canadian Legation, 16 Omotecho, 3-chome, Akasakaku, Tokyo. *Cable address, Canadian.*

Kobe: P. V. McLANE. Address for letters—P.O. Box 230, Kobe. Office—309 Crescent Building, 72 Kyomachi, Kobe. *Cable address, Canadian.*

Mexico

R. T. YOUNG. Address for letters—Apartado Num. 126-Bis, Mexico City. Office—Edificio Banco de Londres y Mexico, Num. 30, Mexico City. (Territory includes Guatemala, Honduras, and Salvador.) *Cable address, Canadian.*

Netherlands

J. A. LANGLEY, Coolsingel 111b, Rotterdam. (Territory includes Switzerland.) *Cable address, Canadian.*

New Zealand

W. F. BULL. Address for letters—P.O. Box 33, Auckland. Office—Yorkshire House, Shortland Street, Auckland. (Territory includes Fiji and Western Samoa.) *Cable address, Canadian.*

Norway

RICHARD GREW, Stortingsgaten 28, Oslo. (Territory includes Sweden, Denmark, and Finland.) *Cable address, Canadian.*

Panama

W. J. RIDDIFORD. Address for letters—P.O. Box 222, Panama City. Office—Royal Bank of Canada Building, Santa Ana Plaza, Panama City. (Territory includes the Canal Zone, Venezuela, Colombia, Nicaragua, and Costa Rica.) *Cable address, Canadian.*

Peru

M. J. VECHSLER. Address for letters—Casilla 1212, Lima. Office—Portal de Belén No. 166, Plaza San Martin, Lima. (Territory includes Bolivia, Ecuador, and Chile.) *Cable address, Canadian.*

South Africa

Cape Town: G. R. HEASMAN. Address for letters—P.O. Box 683. Office—Cleghorn & Harris Building, Adderley Street. (Territory includes Cape Province and Southwest Africa, Natal, Tanganyika, Kenya, Uganda, Mauritius, and Madagascar.) *Cable address, Cantracom.*

Johannesburg: J. L. MUTTER. Address for letters—P.O. Box 715. Office—Prudential Assurance Bldg., 92 Fox Street. (Territory includes Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland.) *Cable address, Cantracom.*

United Kingdom

London: FREDERIC HUDD, Chief Trade Commissioner in the United Kingdom, Canada House, Trafalgar Square, S.W.1. *Cable address, Sleighing, London.*

London: J. H. ENGLISH, Trade Commissioner, Canada House, Trafalgar Square, S.W.1. (Territory includes Home Counties, Southeastern Counties, and East Anglia.) *Cable address, Sleighing, London.*

London: W. B. GORNALL, Fruit Trade Commissioner, Aldine House, Bedford Street, Strand, W.C.2. *Cable address, Canfracom.* (Territory—for fresh fruit only—includes United Kingdom, Norway, Denmark, Sweden, France, Holland, Belgium, and Germany.)

London: W. A. WILSON, Animal Products Trade Commissioner, Canada House, Trafalgar Square, S.W.1. *Cable address, Agrilson.*

Liverpool: ACTING TRADE COMMISSIONER, Martins Bank Building, Water Street. (Territory includes North of England, Lincolnshire, North Midlands, and North Wales.) *Cable address, Canadian.*

Bristol: E. L. McCOLL, Northcliffe House, Colston Avenue. (Territory includes West of England, South Wales, and South Midlands.) *Cable address, Canadian.*

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Note.—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.

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INDEX
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SIX MONTHS ENDING DECEMBER, 1938
Nos. 1796 to 1822
VOL. LIX

	PAGE		PAGE
A		Alfalfa Meal	
Absorbent Cotton		Belgium, market..	377
Australia, imports in 1936-37	91	United Kingdom, market.. . . .	514
Adhesives		London and Southeastern England..	515
Australia, imports in 1936-37	242	Northern Ireland..	520
Advertising		North of England..	519
British West Africa, methods.. . . .	1062	Scotland..	519
Ceylon, methods..	370	West of England, South Midlands	
United Kingdom, Canadian Food		and South Wales..	517, 576
Products Campaign..	513	Alfalfa Seed	
value in..	832	United States, imports and market ..	1042
Agricultural Implements and Machinery		Aluminium	
Australia, imports in 1936-37.. . . .	123	Brazil, imports of and manufactures	
Brazil, imports in 1937..	876	in 1937..	878
British Honduras, imports in 1937.. .	968	Japan, imports from Canada, 1937.. .	496
British West Indies, Jamaica, imports		See also Metals and Minerals	
in 1937	420, 421	Ammonium Sulphate	
Finland, imports of ploughs in 1937..	804	Australia, imports in 1936-37.. . . .	242
Norway, imports in 1937..	488	British West Indies, Barbados, imports	
South Africa, imports in 1937.. . . .	43	in 1937..	715
Sweden, imports in 1937..	776, 777	United Kingdom, market in West of	
United States, exports, Jan.-June, 1938	707	England..	997
Agriculture		Ammunition	
Ceylon, conditions..	267	British Honduras, imports in 1937.. .	969
Chile, conditions in 1937..	846	Anglo-Egyptian Sudan	
Germany, effect of Austria's union on		Economic conditions..	870
economy of enlarged state.. . . .	28	Exports in 1937..	869
New Zealand, conditions..	194	Foreign trade in 1937..	867
Peru, conditions in 1937..	98	Imports in 1937..	868
South Africa, conditions..	285, 794	Trade with Canada, 1937..	869
Tasmania, production in 1936-37.. .	860	Apparel	
United Kingdom, conditions..	156	Australia, imports in 1936-37.. . . .	88
Air Mail		Brazil, imports and market..	556
British Malaya, services..	436	British Guiana, imports in 1937.. .	1004
Canada, operation of Trans-Canada		British Honduras, imports in 1937..	965, 968
service..	1049		969
Empire "All Up" Scheme, provisions	753		
Air Services			
Brazil, operation in 1937..	132		

Apparel—Con. PAGE

British West Indies, Bahamas, imports in 1937..	637, 638
Barbados, imports in 1937..	714
Jamaica, imports in 1937..	420, 423
New Zealand, imports from Canada, Jan.-March, 1938..	160
Norway, imports in 1937..	484
South Africa, imports in 1937..	12, 46
United Kingdom, imports and exports of knitted goods..	957
production of knitted goods in South Midlands..	953, 1099
<i>See also Footwear</i>	

Apples (Canned)

United Kingdom, imports into and market in Scotland..	798
market in London..	758
market in North of England..	797
Market in West of England and South Wales..	763
<i>See also Fruits (Canned)</i>	

Apples (Dried and Evaporated)

British Malaya, market..	547
Netherlands imports and market..	392
Netherlands India, market..	547
Siam, market..	547
Sweden, imports in 1937..	775
United Kingdom, imports and market	570

Apples (Fresh)

Argentina, imports and market..	629
Belgium, imports and market..	621
Bermuda, imports and market..	415
British Guiana, imports and market. imports in 1937..	413 1004
British Malaya, imports and market.	690
British West Indies, Bahamas, imports in 1937..	636
Barbados, imports and market..	413, 713
Jamaica, imports and market..	358, 584
Trinidad, imports and market..	413
Denmark, imports and market..	624
Egypt, imports and market..	554
Finland, imports and market..	628
France, market..	619
Hongkong, market..	212
Netherlands, imports and market..	622
Netherlands India, imports and market..	690, 694
Norway, imports and market..	483, 625
Palestine, imports and market..	556
Siam, market..	690, 694
South Africa, imports in 1937..	47
Sweden, imports and market..	627, 775
Tasmania, production..	860
United Kingdom, imports and market	227, 618

Argentina

Apples (fresh), imports and market..	629
Cardboard, imports and market..	57, 739, 740
Corn, estimates of 1938 crop..	28, 884
Economic conditions..	307, 978
Footwear (rubber), imports and production..	689

Argentina—Con.

Foreign trade, Jan.-June, 1938..	307
Fruits (fresh), exports in 1937..	629
Grain, estimates of 1938 acreage..	654, 809, 1071
Import permits required..	849
Newsprint, imports and market..	55, 739
Paper, imports and market..	55, 738
production..	53
Potatoes (seed), market..	478
Reports of Trade Commissioner J. A. Strong, Buenos Aires:	
August 2, 1938..	307
August 25, 1938..	738
September 4, 1938..	478
September 14, 1938..	689
September 20, 1938..	629
November 21, 1938..	978
Report of Assistant Trade Commissioner J. A. MacDonald, Buenos Aires:	
May 28, 1938..	53
Rubber and rubber goods, imports and production..	689
Wood-pulp, imports and market..	54

Asbestos

Finland, imports in 1937..	804
France, imports from Canada, 1937..	6
Sweden, imports in 1937..	775
<i>See also Metals and Minerals</i>	

Asparagus (Canned)

Egypt, market..	1011
Ireland, market..	962
United Kingdom, imports and market in London..	762, 958
market in North of England..	797
<i>See also Vegetables (Canned)</i>	

Australia

Business methods..	276
Butter boxes, experiments with hemlock..	675
Catalogues, customs requirements..	275
Cement, imports in 1936-37..	1068
production and industry..	1067
Electrical standards, regulations regarding..	33
Exports to Canada, 1937-38, detailed..	755
Flour, export market conditions..	168, 278
fixed home consumption price..	578, 721, 936, 1067
Foreign trade..	1100
Geographical sketch..	274, 754
Imports, 1936-37, detailed..	272
1937-38, from Canada, detailed..	86, 120
Industries..	164, 207, 241
Map..	756
Marking requirements..	273
Motor vehicle parts, reduction in Canadian content requirement..	273
Newsprint, Tariff Board report on..	277
Packing requirements..	272
Points for exporters..	277
Postage rates..	1121
Quotas established for imports of motor vehicles, 1939-40..	

	PAGE		PAGE
Australia—Con.		Bandages and Gauzes	
Reports of Trade Commissioner Fred- erick Palmer, Melbourne:		Australia, imports in 1936-37	242
June 16, 1938	168	Barbados	
July 15, 1938	278	See British West Indies	
August 16, 1938	578	Barley	
September 14, 1938	721	Belgium, imports and market	378
October 1, 1938	857	Netherlands, imports and market . .	294
October 13, 1938	936	Switzerland, imports and market . .	341
November 16, 1938	1100	United Kingdom, imports, Jan.-June, 1938	227, 229
Reports of Trade Commissioner L. M. Cosgrave, Sydney:		See also Grain	
June 1, 1938	86, 120 164, 207, 241	Barley Meal	
July 6, 1938	272	United Kingdom, market in West of England, Midlands and South Wales	576
September 10, 1938	675	Beans (Whole and Split)	
September 15, 1938	1067	British West Indies, Jamaica, imports in 1937	358
Report of Assistant Trade Commis- sioner H. L. E. Priestman, Syd- ney:		Beans with Pork (Canned)	
September 8, 1938	754	New Zealand, imports and market . .	471
Representation in	275	United Kingdom, market in London .	761
Sales tax increased	784	market in North of England	797
Shipping, facilities for Canadian ex- porters	277	market in Scotland	800
new direct service from Vancouver .	1097	See also Vegetables (Canned)	
Tariff, decisions as to classification and rates	448, 744, 982, 1050	Beef	
duties changed	656, 1049, 1088	See Meats	
general	274	Beer	
treatment of power mowers	744	See Beverages (Alcoholic)	
Tenders invited	986	Belgium	
supplies for Government hospitals in Western	640	Alfalfa meal, market	377
Trade with Canada, 1934-37	274	Apples (fresh), imports and market .	621
1936-37	86, 120, 164, 207, 241	Barley, imports and market	378
1937-38	754	Buckwheat, imports and market . .	379
Wheat, acreage for 1938-39 and crop prospects	279, 578, 721, 936, 1100	Feedstuffs, imports and market . .	374
export market conditions	168, 278 578, 721, 936, 1067	Fish meal, imports and market . .	380
fixed home consumption price . .	1100	Fish oil, imports and market	381
yield for 1937-38	168, 278	Flour, regulation of trade	602
		Hay, imports and market	376
		Honey, imports and market	302
		Import licences, requirements for paper, cardboard and cheese . .	561, 609 697
		Import licence tax, wheat, flour and wheat products	218, 561, 609
		Oats, imports and market	378
		Oil cake and meal, imports and market	381
		Oyster shell (crushed), imports and market	381
		Reports of Assistant Trade Commis- sioner Maurice Belanger, Brus- sels:	
		July 28, 1938	302
		August 17, 1938	374
		September 16, 1938	600
		September 16, 1938	621
		Rye, imports and market	379
		Tariff changes	145, 185
		Wheat, imports, Jan.-June, 1938 . .	602
		regulation of trade	600
Austria			
Flour, imports in 1937	80		
Wheat, imports and market in 1937 .	80		
See also Germany			
Automobiles			
See Motor Vehicles			
B			
Bacon and Hams			
British Guiana, imports and market .	769		
British Honduras, imports in 1937 . .	967		
British West Indies, Bahamas, imports in 1937	636		
Barbados, imports and market . .	713, 769		
Jamaica, imports in 1937	359		
Trinidad, imports and market . .	769		
United Kingdom, imports, Jan.-June, 1938	227, 229		
Bahamas			
See British West Indies			

PAGE

Belting

Australia, imports in 1936-37.. . . .	208
Norway, imports of machine, 1937.. . . .	488

Bermuda

See British West Indies

Berries

United States, market for blueberries in New York.. . . .	373
production of cranberries.. . . .	975

Berries (Canned)

United Kingdom, market in London. market in North of England for loganberries.. . . .	760
<i>See also</i> Fruits (Canned)	797

Beverages (Alcoholic)

Australia, imports of whisky from Canada, 1936-37.. . . .	87
British West Africa, market.. . . .	1111
British West Indies, Bahamas, imports in 1937.. . . .	635, 636
Barbados, imports in 1937.. . . .	713
Jamaica, imports in 1937.. . . .	359, 360
Finland, imports of whisky, 1937.. . . .	803
Norway, imports in 1937.. . . .	484
Portugal, market.. . . .	1083
United States, imports, Jan.-June, 1938	710

Bicycles

Australia, imports in 1936-37.. . . .	167
British West Indies, Jamaica, imports in 1937.. . . .	418, 419

Biscuits

British West Indies, Jamaica, imports in 1937.. . . .	357
Norway, imports of and cakes, 1937.. . . .	483

Blueberries

United States, market conditions in New York.. . . .	373
---	-----

Bolivia

Exchange and financial regulations.. . . .	181
Foreign exchange deliveries, 1937.. . . .	1120
Foreign trade in 1937.. . . .	1119
Import prohibitions.. . . .	818
removal of.. . . .	887
Imports, Jan.-June, 1937.. . . .	1120
Metals, exports in 1937.. . . .	1119
Tariff changes.. . . .	34, 887
Trade with Canada, 1937.. . . .	1121

Bone Meal

United Kingdom, imports in 1936 and market in West of England.. . . .	997
--	-----

Boots and Shoes

See Footwear

Box Shooks

British West Indies, Barbados, imports in 1937.. . . .	714
South Africa, imports and production.. . . .	592

PAGE

Bran, Pollards and Middlings

British West Indies, imports into and market in Trinidad, Barbados and British Guiana.. . . .	363
imports into Jamaica in 1937.. . . .	357
France, imports and market.. . . .	245
Netherlands, imports and market.. . . .	294
United Kingdom, market in West of England, Midlands and South Wales.. . . .	575, 576

Brazil

Air services, operation in 1937.. . . .	132
Apparel, imports and market.. . . .	556
Codfish (dried), imports and market.. . . .	216
Coffee, exports in 1937.. . . .	132
Cotton, exports in 1937.. . . .	133
Economic conditions, 1937.. . . .	127
Jan.-June, 1938.. . . .	303
Exchange conditions.. . . .	129, 875
Exchange operations, tax increased on foreign.. . . .	97
Exports in 1937, detailed.. . . .	810
to Canada.. . . .	812
Foreign trade, 1937.. . . .	127, 809
Jan.-March, 1938.. . . .	304
Government purchases.. . . .	781
Imports in 1937, detailed.. . . .	811, 876
from Canada.. . . .	812
Potatoes (table and seed), imports and market.. . . .	588
Reports of Trade Commissioner L. S. Glass, Rio de Janeiro:	
June 10, 1938.. . . .	127
June 14, 1938.. . . .	97
July 2, 1938.. . . .	216
July 20, 1938.. . . .	303
August 10, 1938.. . . .	556
August 18, 1938.. . . .	781
September 9, 1938.. . . .	588
September 12, 1938.. . . .	809
September 13, 1938.. . . .	876
October 31, 1938.. . . .	875
Trade in 1937, by countries.. . . .	812
with Canada.. . . .	812

Bread

British West Africa, making.. . . .	1107
Europe, prices of and of domestic wheat.. . . .	872

Breakfast Foods

British West Indies, Jamaica, imports in 1937.. . . .	358
--	-----

British Guiana

See British West Indies

British Honduras

See British West Indies

British Malaya

Air mail services.. . . .	436
Apples (fresh), imports and market.. . . .	690, 692
Designs, protection of United King- dom.. . . .	817
Economic conditions, Jan.-June, 1938.. . . .	433
Foreign trade, Jan.-May, 1938.. . . .	433

	PAGE
British Malaya—Con.	
Fruits (canned and preserved), im- ports and market.	542
Fruits (dried), imports and market.	544, 547
Jams, jellies and marmalades, imports and market.	544, 546
Pickles and sauces, imports and mar- ket.	544, 547
Postage rate to.	18
Potatoes, imports and market.	437
Quotas established on imports of tex- tile goods into Straits Settle- ments.	1089
Reports of Trade Commissioner B. C. Butler, Singapore, Straits Set- tlements:	
May 30, 1938.	18
July 20, 1938.	433
August 1, 1938.	393
August 6, 1938.	503
August 11, 1938.	477
August 11, 1938.	542
August 15, 1938.	437
September 10, 1938.	690
Shipping services, improvements.	436
Tariffs, new legislation regarding sale of food and drugs in Federated Malay States.	657
Vegetables (canned), imports and market.	542
British North Borneo	
Economic conditions and foreign trade, 1937.	477
British West Africa	
Advertising.	1062
Agents.	1060
Banks.	1065
Brands.	1062
Bread-making.	1107
Centres and areas of business.	1065
Circularization.	1060
Commodity markets, detailed.	1104
Communications.	1064
Credit, suggestions regarding exten- sion of.	1033
Currency and exchange.	1065
Documentation and packing.	1063
Exports in 1937.	1031
Geography and population.	1028
Government.	1026
Government purchases.	1033
Industries.	1029
Mail order houses.	1060
Map.	1027, 1061
Mining equipment, advice concerning market.	1034
Points for exporters.	1025, 1059, 1104
Sales channels and methods.	1059
Tariff.	1063
Trade and trade organization.	1030
Trade with Canada.	1025
Trading companies.	1031
Travellers, hints to.	1066
Weights and measures.	1065

	PAGE
British West Indies	
Bahamas, exports in 1937, detailed.	638
foreign trade in 1937.	634
fruits (canned), imports and mar- ket.	580
imports in 1937, detailed.	634
jams and jellies, imports and market	587
potatoes (table and seed), imports and market.	587
tariff on onions changed.	505
tourist trade in 1937.	639
vegetables (canned), imports and market.	580
Barbados, apples (fresh), imports and market.	413
feedstuffs, imports and market.	362
foreign trade in 1937.	711
fruits (canned), imports and market	464
imports in 1937.	711
detailed.	713
from Canada, detailed.	712
meats, imports and market.	767
oats, imports and market.	363
oil meal, imports and market.	362
potatoes, imports and market.	411
shipping in 1937.	711
trade with Canada, 1937.	712
vegetables (canned), imports and market.	462
Bermuda, apples (fresh), imports and market.	415
fruits (canned), imports and mar- ket.	672
fruits (frozen), market.	674
import restriction on potatoes.	399, 560
onions, imports from and exports to Canada and market.	935
potatoes (table), exports in 1937.	587
potatoes (table and seed), imports and market.	585
vegetables (canned), imports and market.	672
British Guiana, apples (fresh), im- ports and market.	413
exports in 1937, detailed.	1001
feedstuffs, imports and market.	362
foreign trade in 1937.	1000
fruits (canned), imports and market	464
imports in 1937.	1002
detailed.	1003
meats, imports and market.	767
oats, imports and market.	363
potatoes, imports and market.	411
trade with Canada, 1937.	1003
vegetables (canned), imports and market.	463
British Honduras, exports in 1937.	969
imports in 1937, detailed.	964
Jamaica, apples (fresh), imports and market.	584
exports in 1937, detailed.	465
percentages taken by Canada.	468
foreign trade in 1937.	353
fruits (canned), imports and market	582
imports in 1937, detailed.	357, 417
from Canada.	354
government.	425
jams and jellies, imports in 1937.	582

	PAGE		PAGE
Jamaica— <i>Con.</i>		Brooms	
onions, imports and market.. . . .	1101	Australia, imports in 1936-37.. . . .	243
potatoes (table and seed), imports and market.. . . .	521	British West Indies, Jamaica, imports in 1937.. . . .	418
reports of Trade Commissioner F. W. Fraser, Kingston:		Brushes	
August 6, 1938.. . . .	684	British West Indies, Jamaica, imports in 1937.. . . .	418
August 13, 1938.. . . .	353, 417, 465	Buckwheat	
August 22, 1938.. . . .	634	Belgium, imports and market.. . . .	379
September 7, 1938.. . . .	580	Building	
September 7, 1938.. . . .	587	British West Indies, Trinidad, devel- opments.. . . .	1035
December 17, 1938.. . . .	1101	South Africa, conditions.. . . .	794
reports of F. L. Casserly, office of the Trade Commissioner, Kings- ton:		United Kingdom, conditions.. . . .	155
September 10, 1938.. . . .	521	North of England.. . . .	16
September 10, 1938.. . . .	533	industry in North of England.. . . .	329, 633
September 17, 1938.. . . .	582	Scottish Building Centre in Glasgow	1038
September 17, 1938.. . . .	584	Building Boards	
October 29, 1938.. . . .	964	Norway, imports in 1937.. . . .	486
shipping figures for 1937.. . . .	468	South Africa, imports of pulpboard, 1937.. . . .	46
tariff changes.. . . .	399	Building Materials	
vegetables (canned), imports and market.. . . .	582	British West Indies, Trinidad, market for Canadian.. . . .	1037
Leeward Islands, potatoes, imports and market.. . . .	411	Bulgaria	
St. Lucia, motor vehicles, prohibition of imports with left-hand drives	945	Foreign trade, Jan.-June, 1938.. . . .	942
Trinidad, apples (fresh), imports and market.. . . .	413	Burma	
building materials, market for Cana- dian.. . . .	1037	Fruits and vegetables, market for canned.. . . .	539
economic conditions.. . . .	1035	Parcel post, regulations regarding im- ports.. . . .	657
feedstuffs, imports and market.. . . .	362	Tariff changes.. . . .	561
five-year plan.. . . .	1034	Butter	
fruits (canned), imports and market	463	British Honduras, imports in 1937.. . . .	969
housing developments.. . . .	1035	British West Indies, Bahamas, imports in 1937.. . . .	635
lumber and timber, imports, Jan.- Sept., 1938.. . . .	1037	Jamaica, imports in 1937.. . . .	357
meats, imports and market.. . . .	767	<i>See also Dairy Products</i>	
oats, imports and market.. . . .	363	Butter Boxes	
oilfield supplies, imports and market.. . . .	118, 576	Australia, experiments with hemlock.	675
potatoes, imports and market.. . . .	411	C	
report of Trade Commissioner M. B. Palmer, Port of Spain:		Cable (Electric)	
November 28, 1938.. . . .	1034	Brazil, imports in 1937.. . . .	876
reports of Assistant Trade Commis- sioner G. A. Newman, Port of Spain:		Calcium Carbide	
June 14, 1938.. . . .	118	British West Indies, Jamaica, imports in 1937.. . . .	419
August 3, 1938.. . . .	411	Calcium Chloride	
August 4, 1938.. . . .	413	Sweden, imports in 1937.. . . .	776
August 6, 1938.. . . .	362	Calculating Machines	
August 19, 1938.. . . .	461	New Zealand, imports from Canada, Jan.-March, 1938.. . . .	160
September 26, 1938.. . . .	711	Cameras and Accessories	
October 7, 1938.. . . .	767	Australia, imports in 1936-37.. . . .	241
November 15, 1938.. . . .	1000		
November 29, 1938.. . . .	1035		
tariff, changes following United Kingdom-United States Trade Agreement.. . . .	1089		
duties changed.. . . .	185		
vegetables (canned), imports and market.. . . .	462		
Windward Islands, potatoes, imports and market.. . . .	411		

	PAGE
Canada	
Air mail, operation of Trans-Canada service.....	1049
British Trade Commissioners, list of.....	1121
Exports to the United States under quota provisions of trade agreement.....	32, 257, 284, 610, 780, 981
seed potatoes.....	786
Exports to the United States under the trade agreement effective January 1, 1936.....	114, 280
	550, 716, 928, 1072
Retirement of Mr. H. R. Pousette from the Commercial Intelligence Service.....	328
Summary of trade by months.....	8, 200
	361, 577, 801, 961, 1103
Trade agreements:	
New Zealand extended.....	449
United Kingdom, changes in margins.....	915, 921
United States, 1938, details and proclamation of.....	897, 953
What the Canadian exporter can do for the Trade Commissioner ..	102
Candles	
British West Indies, Jamaica, imports in 1937.....	418
Cardboard	
Argentina, imports and market.....	57, 739, 740
New Zealand, imports from Canada, Jan.-March, 1938.....	161
United Kingdom, imports, Jan.-June, 1938.....	229, 231
See also Paper and Paper Products	
Cards (Playing)	
Australia, imports in 1936-37.....	212
British West Indies, Jamaica, imports in 1937.....	423
Carpet Sweepers	
Australia, imports in 1936-37.....	243
Cartridges	
Australia, imports of rifle and revolver, 1936-37.....	242
Cash Registers	
New Zealand, imports from Canada, Jan.-March, 1938.....	160
Norway, imports in 1937.....	488
Casings	
Australia, imports of sausage, 1936-37.....	87
Netherlands, imports of and market for sausage.....	937
Norway, imports in 1937.....	483
Sweden, imports in 1937.....	775
Catalogues	
Australia, customs requirements.....	275
Mexico, request for up-to-date from Trade Commissioner's office....	447

	PAGE
Cattle	
United Kingdom, imports, Jan.-June, 1938.....	227, 229
See also Live Stock	
Ceiling	
Australia, imports of parts, 1936-37..	244
South Africa, imports in 1937.....	46
Cement	
Australia, imports in 1936-37.....	1068
industry and production.....	1067
Brazil, imports in 1937.....	881
British Guiana, imports in 1937.....	1004
British Honduras, imports in 1937.....	965
British West Indies, Bahamas, imports in 1937.....	637
Barbados, imports in 1937.....	714
Jamaica, imports of Portland, 1937..	419
Cements and Adhesives	
Australia, imports in 1936-37.....	242
Cereals	
See Grain	
Cereals and Breakfast Foods	
British West Indies, Jamaica, imports in 1937.....	358
Certificates of Origin	
See Documentation	
Ceylon	
Advertising methods.....	370
Agricultural conditions.....	267
Agricultural production.....	268
Banking and currency.....	272
Business methods.....	368
Coconuts, production and exports.....	268
Commercial travellers, regulations regarding.....	371
Documentation.....	369
Export policy.....	337
Exports in 1937, detailed.....	335
Foreign trade.....	335
Fruits and vegetables, market for canned.....	539
Geographical sketch.....	265
Government.....	266
History.....	265
Imports in 1937, detailed.....	337
from Canada.....	367
Industries.....	267
Market characteristics.....	368
Natural resources.....	267
Packing and marking requirements..	369
Points for exporters.....	265, 335, 367
Population.....	266
Postal service.....	370
Public finance.....	272
Rubber, production and exports.....	267
Shipping, conditions in 1937.....	271
facilities.....	370
Tea, production.....	267
Trade with Canada, 1937.....	367
Transportation.....	271

	PAGE		PAGE
Cheese		Cigarettes	
Brazil, imports in 1937..	882	British West Indies, Jamaica, imports	
British Guiana, imports in 1937.. . .	1003	in 1937..	360
British Honduras, imports in 1937.. . .	967	Clocks and Clock Movements	
British West Indies, Bahamas, imports		Australia, imports in 1936-37.. . . .	241
in 1937..	635	Clothing	
Barbados, imports in 1937..	713	<i>See</i> Apparel	
Jamaica, imports in 1937..	357	Clover Seed	
Malta, imports in 1937..	52	France, market..	247
Norway, imports in 1937..	483	United States, imports and market..	1042, 1076
Portugal, imports and market.. . . .	1083	Coal	
United Kingdom, imports, Jan.-June,		Brazil, imports in 1937..	881
1938..	227, 229	Chile, production and market.. . . .	1117
<i>See also</i> Dairy Products		Peru, imports and market..	1116
Chemicals		United Kingdom, use of starch in	
Australia, imports in 1936-37.. . . .	242	washing..	932
British West Indies, Jamaica, im-		Coconuts	
ports in 1937..	419	Ceylon, production and exports.. . .	268
France, imports from Canada, 1937.. .	7	Cocoons	
Sweden, imports of calcium chloride,		Japan, spring crop, 1938..	256, 696
1937..	776	summer and autumn crop, 1938.. . .	885
<i>See also</i> Fertilizers (Chemical)		Codfish	
Cherries (Canned)		Brazil, imports of and market for dried	216
United Kingdom, market in London..	760	Portugal, imports of and market for	
<i>See also</i> Fruits (Canned)		salt..	1011
Chile		<i>See also</i> Fish (Fresh, Frozen, and	
Agricultural conditions in 1937.. . . .	846	Preserved)	
Coal, production and market.. . . .	1117	Cod Liver Oil	
Economic conditions, Jan.-June, 1938..	843	United States, imports and market.. .	22
Exchange conditions..	844	<i>See also</i> Fats and Oils and Fish Oils	
Foreign trade, Jan.-June, 1938.. . . .	844	Cod Oil	
Hides, imports and market..	101	United States, imports and market.. .	22
production and exports..	100	Coffee	
Jute goods, imports and market.. . . .	309	Brazil, exports in 1937..	132
Leather, imports and market..	101	Coke	
production and exports..	100	Brazil, imports in 1937..	881
Mineral production..	845	Colombia	
<i>Modus vivendi</i> with the United King-		Exchange conditions..	783
dom extended..	104, 887	Commercial Travellers	
Nitrates, production..	846	Ceylon, regulations..	371
Potatoes (seed), market..	480	New Zealand, regulations..	199
Tariff change..	1051	Condiments	
Vegetable oil, production and exports..	217	British West Indies, Jamaica, imports	
China		in 1937..	359
Consular invoice requirements.. . . .	258	Confectionery	
Exports, Jan.-June, 1938, detailed.. . .	501	British Honduras, imports in 1937.. .	969
to Canada, detailed..	502	British West Indies, Bahamas, imports	
Foreign trade, Jan.-June, 1938.. . . .	498	in 1937..	635
Imports, Jan.-June, 1938, detailed.. . .	499	Jamaica, imports in 1937..	357
from Canada, detailed..	500	Portugal, imports in 1936..	1083
Report of Acting Trade Commissioner		Consular Invoices	
M. T. Stewart, Shanghai:		<i>See</i> Documentation	
August 4, 1938..	498		
Tariff changes in North..	63, 146		
Chocolate			
Portugal, imports in 1936..	1083		
Christmas Trees			
United States, imports and market.. .	440		
Chronometers			
Australia, imports in 1936-37.. . . .	241		

	PAGE		PAGE
Cooperage Stock		Cuba—Con.	
British West Indies, Jamaica, imports in 1937..	424	Census returns, December, 1937.. . .	58
Copper		Climate and population..	321
Brazil, imports of and products, 1937..	878	Currency and banking..	322
France, imports from Canada, 1937 ..	5	Economic conditions, 1937..	23, 57
<i>See also Metals and Minerals</i>		Jan.-June, 1938..	807
Cordage		Exports, 1937..	24
Australia, imports of and rope, 1936-37	90	to Canada..	27
Brazil, imports in 1937..	881	Jan.-June, 1938..	808
British West Indies, Bahamas, imports in 1937..	638	Foreign trade, 1929-37..	325
Barbados, imports in 1937....	714	1937..	23
Jamaica, imports in 1937..	420	Imports, 1937..	25
Corn		from Canada..	27
Argentina, estimates of 1937-38 crop..	28, 884	Jan.-June, 1938..	808
<i>See also Grain</i>		Natural resources and industry ..	322
Corn (Canned)		Packing regulations..	324
United Kingdom, market in London..	762	Points for exporters..	321
market in North of England.. . . .	798	Postage to..	324
<i>See also Vegetables (Canned)</i>		Potatoes (seed), import regulations..	402
Cornmeal		Potatoes (table and seed), imports and market..	525
British West Indies, Bahamas, imports in 1937..	635	Reports of Trade Commissioner C. S. Bissett, Havana:	
Jamaica, imports in 1937..	358	May 30, 1938..	23
Cotton		May 31, 1938..	57
Brazil, exports in 1937..	133	August 10, 1938..	321
Egypt, crop prospects for 1938-39..	874	August 10, 1938..	687
production and exports, 1937-38..	873	September 10, 1938..	525
Japan, imports, Jan.-June, 1938 ..	643	September 15, 1938..	807
Cotton (Absorbent)		October 1, 1938..	733
Australia, imports in 1936-37.. . . .	91	Representation..	327
Cotton (Manufactured)		Shipping facilities..	324
Australia, imports in 1936-37.. . . .	90	Sugar, production and exports, 1937..	59
British Honduras, imports of piece- goods, 1937..	966, 968	Tariff, general outline..	325
British West Indies, Jamaica, imports of piece-goods, 1937..	420	Tobacco, production and exports, 1937..	60
Norway, imports of piece-goods, 1937..	485	Tourist traffic in 1937..	59
Tasmania, imports of piece-goods, 1936-37..	862	Trade with Canada, 1926-37.. . . .	326
United Kingdom, conditions in Lanca- shire industry..	999	1937..	26
exports, Jan.-Sept., 1938..	1000	Weights and measures system.. . . .	323
Crab (Canned)		Currency	
United Kingdom, imports and market	81	British West Africa..	1065
Cranberries		Cuba..	322
United States, production	975	Cycles	
Crayfish (Canned)		Australia, imports in 1936-37.. . . .	167
United Kingdom, imports and market	81	British West Indies, Jamaica, imports in 1937..	418, 419
Cream Separators		Cyprus	
Australia, imports in 1936-37.. . . .	121	Flour, imports and market..	772
Cuba		Foreign trade, Jan.-June, 1938.. . .	970
Area and topography..	321	Minerals, production and exports, 1937	943
Business methods and terms.. . . .	323	Tariff, duties on wheat and flour changed..	104
		Wheat, imports and market..	771
		D	
		Dairy Products	
		British West Indies, Bahamas, imports in 1937..	635
		New Zealand, exports, Jan.-March, 1938..	162
		South Africa, production and exports.	835
		Tasmania, production..	861
		<i>See also Butter and Cheese</i>	

	PAGE		PAGE
Denmark		Egypt—Con.	
Apples (fresh), imports and market..	624	Cotton, crop prospects for 1938-39..	874
Crop reports..	181,390,653,871	production and exports, 1937-38..	873
Export restrictions..	450	Exports, Jan.-June, 1938..	974
Flour, imports, 1931-37..	683	Flour, imports and market..	779
regulation of trade..	679	regulation of trade..	779
Grain Law amended..	946	Foreign trade, Jan.-June, 1938..	973
Import restrictions..	450,609	Marking regulations, pharmaceutical	
removal of some..	1089	preparations to show sales price.	818
Wheat, imports, 1931-37..	681	Reports of Trade Commissioner Henri	
production and consumption..	682	Turcot, Cairo:	
regulation of trade..	679	May 23, 1938..	30
		August 30, 1938..	554
Documentation		September 24, 1938..	777
British West Africa, requirements..	1063	September 24, 1938..	804
Ceylon..	369	September 29, 1938..	731
See also Tariff Changes and Cus-		October 3, 1938..	842
tom Regulations		October 4, 1938..	771
		October 4, 1938..	867
Dominican Republic		October 22, 1938..	873
Economic conditions in 1937..	687	October 26, 1938..	970
Exports in 1937..	736	October 28, 1938..	940
Foreign trade in 1937..	733	October 31, 1938..	943
Imports in 1937..	734	November 1, 1938..	1006
from Canada, detailed..	737	November 3, 1938..	1015
Potatoes (table and seed), imports and		November 4, 1938..	1086
market..	531	November 18, 1938..	1011
Trade-mark law amended..	562	November 24, 1938..	1114
Trade with Canada, 1937..	737	Trade with Canada, Jan.-June, 1938..	975
		Wheat, production and exports..	778
Douglas Fir		regulation of trade..	777
Australia, imports of lumber and tim-			
ber, 1936-37..	208,209	Eire	
British West Indies, Barbados, imports		See Ireland	
in 1937..	713		
Japan, sales restriction..	314	Electrical Apparatus, Appliances, and	
See also Lumber and Timber		Supplies	
Drugs and Medicines		Australia, imports in 1936-37..	122,124,243
Australia, imports in 1936-37..	242	British Guiana, imports in 1937..	1004
British Guiana, imports in 1937..	1004	British West Indies, Barbados, imports	
British Honduras, imports in 1937..	968	in 1937..	714
British West Indies, Bahamas, imports		Jamaica, imports in 1937..	420
in 1937..	638	New Zealand, imports of washing	
Barbados, imports in 1937..	715	machines from Canada, Jan.-	
Jamaica, imports of medicines, 1937..	421	March, 1938..	161
Netherlands India, sale of strong medi-		Norway, imports of vacuum cleaners	
cines regulated..	946	and parts, 1937..	487
		Palestine, imports of and market for	
		radios..	731
		South Africa, imports in 1937..	13,45
		Tasmania, market..	863
E		Electrical Machinery	
Ecuador		Australia, imports in 1936-37..	122,124
Economic conditions in 1937..	1046	Brazil, imports in 1937..	876
Exchange conditions..	654,1048	See also Machinery	
Foreign trade, 1937..	396,1046		
Jan.-June, 1938..	1047	Electric Cable	
Import control..	654	Brazil, imports in 1937..	876
Potatoes (seed), market..	481		
Tariff changes..	185	Electric Meters	
Trade with Canada, 1937..	397	South Africa, imports and market ..	963
Eggs		Electric Refrigerators	
British West Indies, Bahamas, imports		Australia, imports of and parts, 1936-	
in 1937..	635	37..	124
Jamaica, imports in 1937..	357	New Zealand, market..	239
		Tasmania, market..	863
Egypt			
Apples (fresh), imports and market..	554		
Asparagus (canned), market..	1011		

	PAGE		PAGE
Electric Stoves		Feedstuffs—Con.	
Australia, imports of and accessories, 1936-37.. . . .	122	Netherlands, imports and market..	252, 293 488
New Zealand, imports from Canada, Jan.-March, 1938.. . . .	161	Switzerland, imports and market..	340
South Africa, imports in 1937.. . . .	45	United Kingdom, imports of and market for fish meal.. . . .	331
Tasmania, market.. . . .	863	imports of oats, Jan.-June, 1938..	227, 229
Electrodes (Graphite and Carbon)		market for live stock balanced rations in West of England, Midlands and South Wales..	573
Norway, imports in 1937.. . . .	486	Felts	
El Salvador		Australia, imports in 1936-37.. . . .	90
Economic conditions.. . . .	655	Finland, imports of papermakers', 1937	803
Exchange		Fencing Wire	
Bolivia, deliveries of foreign during 1937.. . . .	1120	South Africa, imports in 1937.. . . .	44
new regulations.. . . .	181	Fertilizers (Chemical)	
Brazil, conditions.. . . .	129, 875	Australia, imports in 1936-37.. . . .	242
tax increased on foreign operations..	97	British West Indies, Bahamas, imports in 1937.. . . .	637
British West Africa.. . . .	1065	Barbados, imports of ammonium sulphate, 1937.. . . .	715
Chile, conditions.. . . .	844	Jamaica, imports in 1937.. . . .	421
Colombia, conditions.. . . .	783	Chile, production of nitrates.. . . .	846
Ecuador, conditions.. . . .	654, 1048	United Kingdom, market in West of England.. . . .	995, 1099
Japan, control.. . . .	92	Fertilizers (Organic)	
Manchukuo, control.. . . .	97	United Kingdom, market in West of England.. . . .	995
Mexico, conditions.. . . .	980	Films (Sensitized)	
situation and its effects on credit..	214	Australia, imports in 1936-37.. . . .	241
Exhibitions and Fairs		Finland	
Netherlands, Royal Netherlands In- dustries Fair.. . . .	731	Apples (fresh), imports and market..	628
United Kingdom, Empire Exhibition at Glasgow, 1938.. . . .	927	Crop reports.. . . .	391, 653
Food Trades' Exhibition at Birming- ham.. . . .	833	Grain, new law passed.. . . .	658, 746
Imperial Fruit Show at Bristol, 1938	995	Imports in 1937, detailed.. . . .	802
Royal Agricultural Society's Show at Cardiff.. . . .	205	Tariff, changes in duty on grain and flour.. . . .	985
F		Firebricks	
Fats and Oils		Australia, imports in 1936-37.. . . .	210
Australia, imports in 1936-37.. . . .	91	Fish (Canned)	
British West Indies, Jamaica, imports of edible, 1937.. . . .	359	Australia, imports in 1936-37.. . . .	86
Chile, market for vegetable.. . . .	217	Brazil, imports in 1937.. . . .	883
Japan, imports of mineral oil..	138, 493, 643	British Guiana, imports in 1937.. . . .	1004
Netherlands, imports and production..	251	British Honduras, imports in 1937.. . . .	963
Norway, imports of mineral oil, 1937..	485	British West Africa, market.. . . .	1104
<i>See also Fish Oils</i>		British West Indies, Bahamas, imports in 1937.. . . .	636
Federated Malay States		Barbados, imports in 1937.. . . .	713
<i>See British Malaya</i>		Jamaica, imports in 1937.. . . .	357
Feedstuffs		Finland, imports of lobster, 1937.. . . .	803
Belgium, imports and market.. . . .	374	France, imports of lobster from Can- ada, 1937.. . . .	6
British Guiana, imports and market..	362, 1004	South Africa, imports in 1937.. . . .	47, 1057
British Honduras, imports of poultry supplies, 1937.. . . .	969	Sweden, imports in 1937.. . . .	775
British West Indies, Bahamas, imports in 1937.. . . .	636	Tasmania, imports in 1936-37.. . . .	862
Barbados, imports and market.. . . .	362, 713	United Kingdom, imports and market..	228, 230
Jamaica, imports in 1937.. . . .	357	<i>See also Salmon (Canned)</i>	
Trinidad, imports and market.. . . .	362		
France, imports and market.. . . .	244, 1080		
Japan, Fodder Distribution Control Law effective.. . . .	986		

	PAGE		PAGE
Fish (Fresh, Frozen, and Preserved)		Flour—Con.	
Australia, imports in 1936-37.. . . .	86	Italy, imports, Jan.-July, 1938.. . . .	652
Brazil, imports in 1937.. . . .	883	Japan, imports from Canada, 1937..	497
imports of and market for codfish.	216	imports, Jan.-June, 1938.. . . .	743
British Guiana, imports of preserved,		from Canada.. . . .	646
1937.. . . .	1004	Malta, imports in 1937.. . . .	51
British Honduras, imports of dried and		Netherlands, imports.. . . .	175
salted, 1937.. . . .	968	monopoly tax increased.. . . .	65
British West Africa, market for dried		New Zealand, imports from Canada,	
and smoked.. . . .	1105	Jan.-March, 1938.. . . .	161
British West Indies, Barbados, imports		Norway, imports and production,	
in 1937.. . . .	713	1930-37.. . . .	301
Jamaica, imports in 1937.. . . .	357	imports in 1937.. . . .	483
Finland, imports of salted salmon, 1937	803	sales regulation.. . . .	746
France, imports from Canada, 1937..	6	Palestine, imports and market.. . . .	1009
Norway, imports in 1937.. . . .	483	Sweden, imports, 1930-37.. . . .	389
Portugal, imports of and market for		1937.. . . .	775
codfish.. . . .	1011	milling regulations.. . . .	146, 609, 1042
Sweden, imports of frozen and salted,		Trade regulation in:	
1937.. . . .	775	Belgium.. . . .	602
United Kingdom, imports of frozen,		Denmark.. . . .	679
Jan.-June, 1938.. . . .	228, 230	Egypt.. . . .	779
		France.. . . .	724, 1041
Fish Meal		Greece.. . . .	806
Belgium, imports and market.. . . .	380	Ireland.. . . .	458
Netherlands, imports and market.. . .	488	Italy.. . . .	648
United Kingdom, imports and market	331	Japan.. . . .	740
imports in 1936 and market in West		Netherlands.. . . .	170
of England.. . . .	996	Norway.. . . .	296
Fish Oils		Portugal.. . . .	842
Belgium, imports and market.. . . .	381	Sweden.. . . .	383
Netherlands, imports and exports, 1937	252	Switzerland.. . . .	250
Norway, imports in 1937.. . . .	485	Syria and the Lebanon.. . . .	842
United Kingdom, imports and market	333	United Kingdom.. . . .	232
United States, imports and market..	19	United Kingdom, imports, Jan.-June,	
See also Fats and Oils		1938.. . . .	227, 229
Flooring		quota payments increased.. . . .	398, 849, 981
South Africa, imports in 1937.. . . .	46	Fodder	
Floor Rugs and Coverings		Japan, Fodder Distribution Control	
Australia, imports in 1936-37.. . . .	89, 208	Law effective.. . . .	986
British West Indies, Jamaica, imports		Netherlands, imports and market.. . .	294
of linoleum, 1937.. . . .	423	See also Feedstuffs	
Flour		Foodstuffs	
Australia, export market conditions..	168, 278	Portugal, imports and market.. . . .	1081
578, 721, 936, 1067		United Kingdom, advertising of Can-	
fixed home consumption price.. . . .	1100	adian.. . . .	513
Austria, imports in 1937.. . . .	80	Footwear	
Brazil, imports in 1937.. . . .	883	Argentina, imports of canvas rubber-	
British Guiana, imports in 1937.. . . .	1004	soled.. . . .	689
British Honduras, imports in 1937..	966, 967	Australia, imports in 1936-37.. . . .	89
British West Africa, imports and mar-		British Honduras, imports in 1937..	965, 967
ket.. . . .	1106	British West Indies, Bahamas, imports	
British West Indies, Bahamas, imports		in 1937.. . . .	637
in 1937.. . . .	635	Barbados, imports in 1937.. . . .	714
Barbados, imports in 1937.. . . .	713	Jamaica, imports in 1937.. . . .	418
Jamaica, imports in 1937.. . . .	358	New Zealand, imports of leather from	
Cyprus, imports and market.. . . .	772	Canada, Jan.-March, 1938.. . . .	160
Denmark, imports, 1931-37.. . . .	683	Norway, imports of leather, 1937.. . .	485
Egypt, imports and market.. . . .	779	South Africa, imports of and market	
Finland, imports in 1937.. . . .	803	for women's.. . . .	235
France, imports and exports, 1931-37..	728	imports of leather and canvas, 1937..	14, 47
Germany, imports and exports.. . . .	79	United Kingdom, imports of tennis	
Hongkong, imports and market con-		shoes, Jan.-June, 1938.. . . .	228
ditions.. . . .	365, 1005	Footwear (Rubber)	
Ireland, imports.. . . .	461	Argentina, imports and production..	689
		British Guiana, imports in 1937.. . .	1004

	PAGE		PAGE
Footwear (Rubber)—Con.		Fruits (Canned)—Con.	
British Honduras, imports in 1937..	965, 967	Burma, market..	539
British West Indies, Bahamas, imports in 1937..	637	Ceylon, market..	539
Barbados, imports in 1937..	714	Hongkong, imports and market..	539
Jamaica, imports in 1937..	418	India, imports and market..	535
New Zealand, imports of boots from Canada, Jan.-March, 1938..	161	Netherlands India, imports and market	542
Norway, imports in 1937..	486	New Zealand, imports and market..	468
South Africa, imports in 1937..	47	imports from Canada, Jan.-March, 1938..	160
United Kingdom, exports of boots, 1936..	1098	Siam, market..	542
imports, Jan.-June, 1938..	228, 231	United Kingdom, imports and market	825
imports of boots and market in West of England..	1097	imports from Canada..	829
		imports into and market in Scotland..	798
		imports of pears, Jan.-June, 1938..	228, 230
		market in London..	757
		market in North of England..	795
		market in West of England and South Wales..	762
Fountain Pens		Fruits (Dried)	
Australia, imports in 1936-37..	212	British Malaya, imports and market..	544, 547
Foxes (Live)		Netherlands, imports of and market for apples..	392
Norway, exports prohibited..	65	Netherlands India, imports and market..	545, 547
France		Norway, imports in 1937..	483
Apples (fresh), market..	619	Siam, market..	547
Bran, imports and market..	245	Sweden, imports of apples in 1937..	775
Exports to Canada, 1937..	3	United Kingdom, imports of and market for apples..	570
Feedstuffs, imports and market..	244, 1080	Fruits (Fresh)	
Flour, imports and exports, 1931-37..	728	Argentina, exports in 1937..	629
regulation of trade..	724, 1041	British West Africa, market..	1110
Honey, imports and market..	179	British West Indies, Bahamas, imports in 1937..	636
Imports from Canada in 1937, detailed	1, 4	United Kingdom, imports, Jan.-June, 1938..	229
Oil-seed meal, imports and market..	245	United States, market conditions for blueberries in New York..	373
Quotas allotted to Canada..	65, 658, 1016	production of cranberries..	975
Reports of Assistant Commercial At- taché J. P. Manion, Paris:		<i>See also Apples (Fresh)</i>	
May 26, 1938..	1	Fruits (Frozen)	
July 2, 1938..	179	Bermuda, market..	674
July 7, 1938..	179	Furniture	
July 8, 1938..	177	Australia, imports in 1936-37..	208
July 18, 1938..	244	British Guiana, imports in 1937..	1004, 1005
August 30, 1938..	599	British West Indies, Bahamas, imports in 1937..	638
September 15, 1938..	724	Barbados, imports of metal and wooden, 1937..	714, 715
September 16, 1938..	619	Jamaica, imports in 1937..	424
October 22, 1938..	872	Furs (Dressed)	
November 17, 1938..	1041	Australia, imports in 1936-37..	89
December 1, 1938..	1080	Finland, imports in 1937..	803
Seeds (grass and clover), market..	247	Portugal, imports and market..	939
Tariff changes..	1016	Furs (Raw)	
Trade prospects for 1938..	7	Australia, imports in 1936-37..	88
Trade with Canada, 1937..	1	Brazil, imports in 1937..	879
Wheat, imports and exports, 1931-37..	728	Finland, imports in 1937..	803
regulation of trade..	724, 1041	France, imports from Canada, 1937..	5
situation and market prospects..	177	Portugal, imports and market..	939
		Sweden, imports in 1937..	776
		United States, imports, Jan.-June, 1938	710
French Colonies			
Foreign trade in 1937..	179		
Import prohibition on wheat and flour..	849, 888		
Fruits (Canned)			
Bermuda, imports and market..	672		
British Guiana, imports and market..	461		
British Malaya, imports and market..	542		
British West Indies, Bahamas, imports and market..	580, 636		
Barbados, imports and market..	461, 713		
Jamaica, imports and market..	582		
Trinidad, imports and market..	461		

G

Gambia

See British West Africa

Germany

Agriculture, effect of Austria's union with Germany on economy of enlarged state.. . . .	28
Anglo-German Payments Agreement amended.. . . .	118
Canadian Trade Commissioner's office, change of address.. . . .	993
Flour, imports and exports.. . . .	79
Grain, production of bread.. . . .	76
Report of Trade Commissioner J. C. Macgillivray, Berlin:	
June 16, 1938.. . . .	73
Report of Assistant Trade Commissioner B. A. Macdonald, Berlin:	
June 8, 1938.. . . .	28
Rye, imports and exports.. . . .	74
Tariff, change.. . . .	887
duty changed on grain imported into Austria.. . . .	888
Wheat, imports and exports.. . . .	74
market.. . . .	73

Glass

Australia, imports in 1936-37.. . . .	210
---------------------------------------	-----

Gloves

Australia, imports in 1936-37.. . . .	89
---------------------------------------	----

Gloves (Rubber)

Australia, imports in 1936-37.. . . .	208
---------------------------------------	-----

Glycerine'

Netherlands, imports and exports.. . . .	253
--	-----

Gold

See Metals and Minerals

Gold Coast

See British West Africa

Grain

Argentina, estimates of 1938 acreage.. . . .	654, 809
estimates of 1937-38 corn crop.. . . .	1071, 28, 884
British West Indies, Barbados, imports of oats.. . . .	713
Jamaica, imports in 1937.. . . .	358
Belgium, imports of and market for barley and rye.. . . .	378, 379
Denmark, Grain Law amended.. . . .	946
Finland, imports of rye and wheat, 1937.. . . .	803
new law passed.. . . .	658, 746
Germany, imports and exports.. . . .	74
production of bread.. . . .	76
Japan, crop estimates.. . . .	256
Netherlands, imports of and market for barley.. . . .	294
Norway, imports in 1937.. . . .	482
Roumania, estimated production in 1938.. . . .	942
Sweden, control system.. . . .	385
imports of wheat and rye, 1937.. . . .	775

Grain—Con.

Switzerland, imports from Canada, 1937.. . . .	289
imports of and market for barley.. . . .	341
United Kingdom, imports, Jan.-June, 1938.. . . .	227, 229
United States, exports, Jan.-June, 1938.. . . .	707
<i>See also</i> Wheat and Oats	

Grain Offal

Netherlands, imports and market.. . . .	294
---	-----

Grass Seed

France, market.. . . .	247
United States, imports and market.. . . .	1042, 1076

Great Britain

See United Kingdom

Greece

Flour, regulation of trade.. . . .	806
Foreign trade, Jan.-June, 1938.. . . .	940
Trade with Canada, Jan.-June, 1938.. . . .	941
Wheat, imports in 1937.. . . .	805
imports, Jan.-June, 1938.. . . .	941
regulation of trade.. . . .	804

Guatemala

Economic conditions.. . . .	482, 656
Foreign trade, Jan.-June, 1938.. . . .	481
Mortgage Bank warehouses, operation.. . . .	343

Guns and Rifles

Australia, imports in 1936-37.. . . .	243
---------------------------------------	-----

Gypsum

Australia, imports in 1936-37.. . . .	210
---------------------------------------	-----

H

Haiti

Exports in 1936-37.. . . .	685, 686
to Canada.. . . .	686
Foreign trade in 1936-37.. . . .	684
Imports in 1936-37, from Canada.. . . .	686
Potatoes (table and seed), imports and market.. . . .	533

Hams

See Bacon and Hams

Handbags

Hongkong, market for ladies'.. . . .	169
--------------------------------------	-----

Hardware

Australia, imports in 1936-37.. . . .	165
British Honduras, imports in 1937.. . . .	968
British West Indies, Bahamas, imports in 1937.. . . .	638
Barbados, imports in 1937.. . . .	714
New Zealand, imports from Canada, Jan.-March, 1938.. . . .	160
Tasmania, imports in 1936-37.. . . .	862
market.. . . .	863

Hat Hoods

New Zealand, imports from Canada, Jan.-March, 1938.. . . .	160
--	-----

	PAGE
Hats	
British West Indies, Jamaica, imports in 1937.. . . .	420
New Zealand, imports of men's from Canada, Jan.-March, 1938.. . .	160
See also Apparel	
Hay	
Belgium, imports and market.. . .	376
British West Indies, Bahamas, imports in 1937.. . . .	636
Barbados, imports in 1937.. . . .	713
Netherlands, market.. . . .	292
Switzerland, imports and market.. .	342
United Kingdom, crop and market conditions.. . . .	201
London.. . . .	764
North of England.. . . .	203, 765
Scotland.. . . .	204, 766
Southeastern England.. . . .	202, 764
West of England, South Midlands and South Wales.. . . .	202, 765
Herring Oil	
See Fish Oils	
Hides and Skins	
Australia, imports in 1936-37.. . .	88
Chile, imports and market.. . . .	101
production and exports.. . . .	100
France, imports from Canada, 1937..	5
New Zealand, exports, Jan.-March, 1938.. . . .	162
See also Furs (Raw)	
Honduras	
Certificates of origin, regulations regarding.. . . .	34, 104
Economic conditions.. . . .	656, 884
Foreign trade in 1936-37.. . . .	884
Honey	
Belgium, imports and market.. . .	302
France, imports and market.. . . .	179
Ireland, imports and market.. . . .	834
Netherlands, imports and market.. .	176
Norway, imports and market.. . . .	443
Sweden, imports and market.. . . .	442
Hongkong	
Apples (fresh), market.. . . .	212
Economic conditions.. . . .	476, 1071
Exports, Jan.-June, 1938.. . . .	476
Jan.-Sept., 1938.. . . .	1069
Flour, imports and market conditions.. . . .	365, 1005
Foreign trade, Jan.-June, 1938.. . .	475
Jan.-Sept., 1938.. . . .	1068
Fruits (canned), imports and market..	539
Handbags, market for ladies'.. . .	169
Imports, Jan.-June, 1938.. . . .	476
from Canada.. . . .	477
Jan.-Sept., 1938.. . . .	1068, 1070
from Canada.. . . .	1071
Potatoes, imports and market.....	431

Hongkong—Con.

Reports of Trade Commissioner V. E. Duclos:	
June 27, 1938.. . . .	169
June 27, 1938.. . . .	212
July 12, 1938.. . . .	310
July 28, 1938.. . . .	431
July 28, 1938.. . . .	475
August 4, 1938.. . . .	365
August 18, 1938.. . . .	539
November 1, 1938.. . . .	1068
November 4, 1938.. . . .	1005
Vegetables (canned), imports and market.. . . .	539
Hose (Rubber)	
Australia, imports in 1936-37.. . .	208
Hosiery	
Australia, imports of silk, 1936-37.. .	89
Brazil, market.. . . .	559, 560
British Guiana, imports in 1937.. . .	1004
British Honduras, imports in 1937.. .	968
British West Indies, Bahamas, imports in 1937.. . . .	638
Barbados, imports in 1937.. . . .	714
Jamaica, imports of cotton, 1937.. .	420
imports of silk and rayon, 1937.. .	423
New Zealand, imports from Canada, Jan.-March, 1938.. . . .	160
Norway, imports in 1937.. . . .	484
South Africa, imports in 1937.. . .	12, 46
United Kingdom, imports and exports production in South Midlands.. . .	957
regulations relating to trade changed	1099

I**Import Regulations**

See Tariff Changes and Customs Regulations

India

Economic conditions, Jan.-June, 1938..	678
Foreign trade.. . . .	678
Fruits (canned), imports and market..	535
Newspapers (old), imports and market.. . . .	594
Newsprint, imports and market.. . .	593
imports from Canada, 1936-37.. . .	596
Paper, imports and market.. . . .	593
imports from Canada, 1936-37.. . .	596
Reports of Trade Commissioner Paul Sykes, Calcutta:	
June 28, 1938.. . . .	265, 335, 367
August 6, 1938.. . . .	593
August 9, 1938.. . . .	366
August 19, 1938.. . . .	535
August 27, 1938.. . . .	640
September 14, 1938.. . . .	722
September 15, 1938.. . . .	678
Representation, advice regarding.. . .	724
Tariff changes.. . . .	142, 505, 1051
Trading centres, outline of location and importance.. . . .	722
Vegetables (canned), imports and market.. . . .	535
Wheat, crop forecast for 1937-38.. . .	640
Wood-pulp, imports and market.. . .	366

Instruments (Scientific and Surgical)

British West Indies, Jamaica, imports in 1937	421
--	-----

Insulators (Porcelain)

Brazil, imports in 1937	877
-----------------------------------	-----

Iran

Foreign trade in 1936-37	1086
exports	1086
imports	1086
Trade with Canada, 1937-38	1087

Iraq

Five-year plan	1015
Foreign trade, Jan.-June, 1938	973
exports and imports	973

Ireland (Eire)

Asparagus (canned), market	962
Certificate of origin regulations changed	447, 886
Economic conditions	17
Flour, imports	461
regulation of trade	458
Honey, imports and market	834
Import restrictions	346, 448
Milling regulations for maize meal	258
Quotas established	258, 505
Reports of Trade Commissioner James Cormack, Dublin:	
June 11, 1938	17
August 10, 1938	458
October 27, 1938	834
November 8, 1938	962
Tariff changes	32, 345, 448, 1087
Wheat, imports	460
regulation of trade	458
Wheat (seed), imports and market	459

Iron and Steel

New Zealand, imports from Canada, Jan.-March, 1938	161
United Kingdom, production and ex- ports	154
See also Metals and Minerals	

Iron and Steel Products

See Metal Manufactures

Italy

Flour, imports, Jan.-July, 1938	652
regulation of trade	648
Foreign trade, Jan.-May, 1938	134
Jan.-June, 1938	445
Import restrictions, list of products affected by	34, 145
Metals, restrictions on uses	401
Reports of Trade Commissioner A. B. Muddiman, Milan:	
October 18, 1938	840
October 19, 1938	939
October 19, 1938	1013
October 20, 1938	872
November 3, 1938	1011
November 14, 1938	1081
November 26, 1938	1111

Italy—Con.

Reports of Assistant Trade Commis- sioner J. C. Depocas, Milan:	
June 1, 1938	49
June 27, 1938	134
July 25, 1938	254
August 1, 1938	445
September 6, 1938	648
Trade with Canada, Jan.-May, 1938	135
Jan.-June, 1938	446
Wheat, imports, Jan.-July, 1938	651
regulation of trade	648
yield in 1938	804

J**Jamaica**

See British West Indies

Jams, Jellies, and Marmalades

British Malaya, imports and market	544, 546
British West Indies, Bahamas, imports and market	580, 636
Jamaica, imports in 1937	358
Netherlands India, imports and market	545, 546
New Zealand, imports and market	470
Siam, market	546

Japan

Cocoons, spring crop, 1938	256, 696
summer and autumn crop, 1938	885
Corporation profits, Jan.-June, 1938	943
Douglas fir, sales restriction	314
Emergency Import and Export Con- trol Law, review of	94, 401
Exchange control	92
Export restrictions	506
Exports, 1937, detailed	491, 494
to Canada, detailed	496, 497
Jan.-March, 1938, by commodities	136, 139
by countries	135
to Canada	140, 142
Jan.-June, 1938, by commodities	641
by countries	641
to Canada	645
Flour, imports, Jan.-June, 1938	743
regulation of trade	740
Fodder Distribution Control Law effective	986
Foreign trade, 1937	490, 494
Jan.-March, 1938	135
Jan.-June, 1938	640
Jan.-Sept., 1938	815
Grain, crop estimates	256
Imports, 1937, detailed	493, 495
from Canada, detailed	496, 498
Jan.-March, 1938, detailed	138
from Canada, detailed	140, 142
Jan.-June, 1938, by countries	642
detailed	643
from Canada, detailed	645
Population in 1938	1015
Report of Commercial Secretary C. M. Croft, Tokyo:	
September 19, 1938	740

	PAGE		PAGE
Japan—Con.		Latvia	
Reports of Assistant Trade Commissioner A. K. Doull, Tokyo:		Tariff changes..	946
June 16, 1938..	135	Lead	
July 13, 1938..	256	Brazil, imports in 1937..	879
July 14, 1938..	256	France, imports from Canada, 1937 ..	5
August 1, 1938..	490	Japan, imports from Canada, 1937 ..	496
August 9, 1938..	640	See also Metals and Minerals	
September 19, 1938..	696	Leather	
September 29, 1938..	943	Brazil, imports in 1937..	881
October 7, 1938..	815	Chile, imports, 1930-36..	101
October 18, 1938..	885	production and exports..	101
November 11, 1938..	1015	Finland, imports in 1937..	803
Report of Assistant Trade Commissioner T. J. Monty, Tokyo:		Norway, imports of sole and upper, 1937..	485
June 6, 1938..	92	Portugal, imports and market.. . . .	1013
Rice, crop estimate for 1938.. . . .	815	inquiries from..	840
Trade control measures..	92	Sweden, imports in 1937..	776
revision..	698	United Kingdom, imports, Jan.-June, 1938..	229, 231
Trade with Canada, 1937	495, 497	Leather Goods	
Jan.-March, 1938	140, 141	Australia, imports in 1936-37	208
Jan.-June, 1938..	645	Hongkong, market for ladies' hand-bags..	169
Wheat, imports, Jan.-June, 1938.. .	742	Lebanon	
market situation..	141	See Levant Mandated States	
regulation of trade..	740	Leeward Islands	
Java		See British West Indies	
See Netherlands India		Lenses and Watch Glasses	
Jellies		Australia, imports in 1936-37.. . . .	210
See Jams, Jellies, and Marmalade		Levant Mandated States	
Jelly Powders		Customs Agreement between Syria and Palestine, termination of..	818
Australia, imports in 1936-37.. . . .	87	Flour, regulation of trade..	842
New Zealand, imports from Canada, Jan.-March, 1938..	160	Foreign trade, Jan.-June, 1938.. . . .	972
Jewellery		Tariff, changes in Syrian..	258
Australia, imports in 1936-37.. . . .	241	Wheat, regulation of trade	842
Jute Goods		yields in 1938..	842
Chile, imports and market..	309	Lingerie	
Peru, imports and market..	308	Brazil, market..	558
K		See also Apparel and Underwear	
Ketchup		Linoleum	
See Tomato Products		Australia, imports in 1936-37.. . . .	90
Kraft Wrapping Paper		British West Indies, Jamaica, imports in 1937..	423
Argentina, imports and market.. . . .	56	Linseed Cake and Meal	
South Africa, imports in 1937	44	See Oilcake and Oilmeal	
See also Paper and Paper Products		Live Stock	
L		Australia, imports in 1936-37.. . . .	87
Lamps and Lampware		Finland, imports in 1937..	803
Australia, imports in 1936-37.. . . .	166	Newfoundland, health certificates required..	886
Lard		Norway, export of live foxes prohibited..	65
British Honduras, imports in 1937. . .	969	United Kingdom, imports, Jan.-June, 1938..	227, 229
British West Indies, Bahamas, imports in 1937..	636		
Barbados, imports of and substitutes, 1937..	713		
Jamaica, imports of and substitutes, 1937..	358		
United Kingdom, imports, Jan.-June, 1938..	228, 230		

	PAGE		PAGE
Lobster (Canned)		Maize Meal	
Finland, imports in 1937..	803	Ireland, milling regulations..	258
France, imports from Canada, 1937..	6	Malt	
United Kingdom, imports and market	80	Brazil, imports in 1937..	884
imports, Jan.-June, 1938..	228, 230	British West Indies, Jamaica, imports	
See also Fish (Canned)		in 1937..	358
Loganberries		Malta	
See Fruits (Canned)		Cheese, imports in 1937..	52
Lumber and Timber		Flour, imports in 1937..	51
Australia, imports in 1936-37.. . . .	208	Foreign trade in 1937..	49
imports in 1937-38, from Canada..	757	exports..	53
British Guiana, imports in 1937.. . .	1004	imports..	49
British Honduras, imports in 1937.. .	966	Imports in 1937, detailed..	52
British West Indies, Bahamas, imports		Trade with Canada, 1937..	51
in 1937..	637	Wheat, imports in 1937..	51
Barbados, imports in 1937..	713	Manchukuo	
Jamaica, imports in 1937..	417	Exchange control..	97
Trinidad, imports, Jan.-Sept., 1938..	1037	Tariff, suspension of duty on flour..	146, 698
Finland, imports in 1937..	803	Trade control..	97
France, imports in 1937..	7	Maps	
Japan, imports from Canada, 1937.. .	496	Australia..	273
Jan.-March, 1938..	140	British West Africa..	1027, 1061
sales restriction on Douglas fir.. . .	314	New Zealand..	195
New Zealand, imports from Canada,		Marking Requirements	
Jan.-March, 1938..	161	Australia..	277
Norway, imports of pulpwood, 1937..	486	Ceylon..	370
South Africa, forestry development		See also Tariff Changes and Cus-	
and effect on market..	591	oms Regulations	
imports in 1937..	45	Marmalade	
Tasmania, imports in 1936-37.. . . .	862	See Jams, Jellies, and Marmalade	
production in 1936-37..	858	Meats	
United Kingdom, imports into and		British Guiana, imports and market..	767, 1004
market in North of England.. . . .	329	British Honduras, imports in 1937.. .	967
imports, Jan.-June, 1938..	228, 230	British West Indies, Bahamas, imports	
United States, marking exemption		of fresh and preserved..	636
operative..	953	Barbados, imports and market.. . .	713, 767
quota on red cedar shingles, July-		Jamaica, imports in 1937..	359
Dec., 1938..	608	Trinidad, imports and market.. . .	767
		Norway, imports of unsmoked, 1937..	483
		Sweden, imports of salted pork, 1937..	775
		See also Bacon and Hams	
M		Meats (Canned)	
Macaroni		British Guiana, imports and market..	768, 770
United Kingdom, imports into and		British Honduras, imports in 1937.. .	967
market in West of England,		British West Indies, Bahamas, im-	
South Midlands and South		ports in 1937..	636
Wales..	669	Barbados, imports and market.. . .	768, 770
Machinery		Jamaica, imports in 1937..	359
Australia, imports in 1936-37.. . . .	121	Trinidad, imports and market.. . .	768, 770
Brazil, imports of electrical, 1937..	876	Medicines	
British Guiana, imports of mining,		See Drugs and Medicines	
1937..	1004	Menhaden Oil	
British West Indies, Barbados, im-		United States, production and con-	
ports of sugar, 1937..	714	sumption..	20, 21
Jamaica, imports in 1937..	421	Metal Manufactures	
Finland, imports in 1937..	804	Australia, imports in 1936-37.. . . .	164
United States, exports, Jan.-June, 1938	707	Brazil, imports of steel rails, 1937.. .	877
Mail Services			
New Zealand..	198		
See also Air Mail			
Maize			
See Grain			
Maize Flakes			
Sweden, imports in 1937..	775		

	PAGE		PAGE
Metal Manufactures—Con.		Mexico—Con.	
British Guiana, imports in 1937.. . .	1004	Reports of Trade Commissioner R. T. Young, Mexico City—Con.	
British Honduras, imports in 1937.. . .	968	July 11, 1938..	182
British West Indies, Barbados, im- ports in 1937..	714	July 20, 1938..	215
Jamaica, imports in 1937..	421	July 27, 1938..	343
Norway, imports in 1937..	486	August 30, 1938..	481
United States, exports, Jan.-June, 1938	708	September 20, 1938..	655
		September 27, 1938..	732
		September 30, 1938..	884
		November 24, 1938..	979
		Tariff, changes..	562, 746, 818
		duty exemptions..	346
Metals and Minerals		Mica	
Australia, imports in 1936-37.. . . .	120, 164	Finland, imports in 1937..	804
Bolivia, exports in 1937..	1119		
Brazil, imports in 1937..	878, 881	Middlings	
British West Indies, Jamaica, imports in 1937..	421	See Bran, Pollards, and Middlings	
Chile, production..	845, 1117		
Cyprus, production and exports, 1937	943	Milk (Condensed, Evaporated, and Powdered)	
Finland, imports of mica and asbestos, 1937..	804	Brazil, imports in 1937..	882
France, imports from Canada, 1937..	5, 7	British Honduras, imports in 1937..	968
Italy, restriction on uses..	401	British West Indies, Bahamas, imports in 1937..	636
Japan, imports, 1937..	493	Jamaica, imports in 1937..	359
Jan.-March, 1938..	138	Portugal, imports of powdered, 1936..	1083
Jan.-June, 1938..	643		
from Canada..	646	Millinery	
Mexico, production and exports, 1937.	61	See Apparel	
New Zealand, imports of iron and steel from Canada, Jan.-March, 1938..	161	Mineral Oil	
Norway, imports in 1937..	486	Japan, imports, 1937..	493
Peru, exports in 1937..	99	Jan.-March, 1938..	138
imports of and market for coal.. . .	1116	Jan.-June, 1938..	643
Sweden, imports in 1937..	775, 776, 777	Norway, imports in 1937..	485
Switzerland, imports from Canada, 1937..	289	Minerals	
Tasmania, production in 1937.. . . .	858	See Metals and Minerals	
United Kingdom, imports, Jan.-June, 1938..	228, 230	Mining Equipment	
production and exports of iron and steel..	154	British West Africa, advice concerning market..	1034
United States, exports, Jan.-June, 1938.	708	See also Machinery	
imports, Jan.-June, 1938..	710	Mops	
		Australia, imports in 1936-37.. . . .	243
Metal (Scrap)		Motor Cycles	
United Kingdom, imports and market.	665	Australia, imports of and parts, 1936-37	167
market in North of England.. . . .	668	British West Indies, Jamaica, imports in 1937..	419
market in West of England, South Midlands and South Wales.. . . .	667	Motor Vehicle Accessories and Parts	
Meters (Electric)		Australia, imports in 1936-37.. . . .	167
South Africa, imports and market.. . .	963	reduction in Canadian content re- quirement..	982, 1016
Mexico		British Guiana, imports in 1937.. . .	1004
Catalogues, request from Trade Com- missioner's office for up-to-date..	447	British West Indies, Barbados, imports in 1937..	714
Economic conditions..	182, 732, 979	Norway, imports in 1937..	487
Exchange situation..	980	South Africa, imports in 1937.. . . .	43
effects on credit..	214	Sweden, imports in 1937..	777
Exports, tax on..	346	Tasmania, imports in 1936-37.. . . .	862
Foreign trade, Jan.-June, 1938.. . . .	980	United States, exports, Jan.-June, 1938	707
Minerals and metals, production and exports, 1937..	61		
National Bank of Foreign Commerce, operation and functions..	215		
Petroleum, production, Aug.-Sept., 1938..	980		
Reports of Trade Commissioner R. T. Young, Mexico City:			
June 7, 1938..	61		
July 8, 1938..	214		

	PAGE		PAGE
Motor Vehicles		Netherlands—Con.	
Australia, imports in 1936-37.. . . .	167	Quotas fixed for paper and paper products.. . . .	145
Brazil, imports in 1937.. . . .	877	Reports of Trade Commissioner J. A. Langley, Rotterdam:	
British Guiana, imports in 1937.. . . .	1004	July 2, 1938.. . . .	170
British Honduras, imports in 1937.. . . .	967	July 6, 1938.. . . .	248
British West Indies, Bahamas, imports in 1937.. . . .	638	July 9, 1938.. . . .	176
Barbados, imports in 1937.. . . .	714	July 18, 1938.. . . .	251
Jamaica, imports in 1937.. . . .	419	July 29, 1938.. . . .	292
St. Lucia, prohibition on imports with left-hand drives.. . . .	945	August 2, 1938.. . . .	338
New Zealand, imports from Canada, Jan.-March, 1938.. . . .	161	September 16, 1938.. . . .	622
Norway, imports in 1937.. . . .	487	Reports of Assistant Trade Commissioner W. G. Stark, Rotterdam:	
South Africa, imports in 1937.. . . .	43	July 21, 1938.. . . .	287
Tasmania, imports of chassis, 1936-37.. . . .	862	August 8, 1938.. . . .	340
United Kingdom, imports and exports.. . . .	371	August 11, 1938.. . . .	392
imports, Jan.-June, 1938.. . . .	231	August 23, 1938.. . . .	488
United States, exports, Jan.-June, 1938.. . . .	707	August 30, 1938.. . . .	603
		October 4, 1938.. . . .	731
Mushrooms (Canned)		October 6, 1938.. . . .	729
South Africa, market.. . . .	430	November 3, 1938.. . . .	937
		Royal Netherlands Industries Fair.. . . .	731
N		Sausage casings, imports and market.. . . .	937
		Seed offal, imports and market.. . . .	294
Nails and Tacks		Tomato products (canned), imports and market.. . . .	729
Australia, imports in 1936-37.. . . .	166	Trade with Canada, Jan.-June, 1938.. . . .	606
Brazil, imports in 1937.. . . .	879	Turnover Tax Law, exemptions from extension.. . . .	887
British Guiana, imports of and spikes, 1937.. . . .	1004	Wheat, imports.. . . .	170
British West Indies, Bahamas, imports of iron, 1937.. . . .	638	production, 1929-37.. . . .	173
New Zealand, imports from Canada, Jan.-March, 1938.. . . .	161	regulation of trade.. . . .	170
		Netherlands India	
Neckties		Apples (fresh), imports and market.. . . .	690, 694
Brazil, market.. . . .	559	Economic conditions, Jan.-June, 1938.. . . .	393
British Honduras, imports in 1937.. . . .	968	Exports, Jan.-May, 1938.. . . .	394
		Fruits (canned and preserved), imports and market.. . . .	542
Netherlands		Fruits (dried), imports and market.. . . .	545, 547
Apples (dried), imports and market.. . . .	392	Imports, Jan.-May, 1938.. . . .	393
Apples (fresh), imports and market.. . . .	622	Jams and marmalades, imports and market.. . . .	545, 546
Barley, imports and market.. . . .	294	Medicines, sale of strong regulated.. . . .	946
Economic conditions, Jan.-June, 1938.. . . .	338	Pickles and sauces, imports and market.. . . .	545, 547
Exports, Jan.-June, 1938.. . . .	604	Potatoes (table and seed), imports and market.. . . .	439
to Canada.. . . .	608	Quota on packing paper extended.. . . .	698
Feedstuffs, imports and market.. . . .	293	Rubber, exports.. . . .	395
Fish meal, imports and market.. . . .	488	Sugar, production and exports.. . . .	395
Fish oils, imports and exports, 1937.. . . .	252	Surtax, proposed increase.. . . .	888
Flour, imports.. . . .	175	Vegetables (canned), imports and market.. . . .	542
regulation of trade.. . . .	170		
Fodder, imports and market.. . . .	294	Netting (Wire)	
Foreign trade, Jan.-June, 1938.. . . .	338, 603	South Africa, imports in 1937.. . . .	45
by countries.. . . .	604		
Glycerine, imports and exports.. . . .	252	Newfoundland	
Grain offal, imports and market.. . . .	295	Live stock, health certificates required.. . . .	886
Honey, imports and market.. . . .	176	Tariff, changes.. . . .	313
Imports, Jan.-June, 1938.. . . .	604	modifications under United Kingdom-United States trade agreement.. . . .	926, 982
from Canada.. . . .	607		
Import restrictions.. . . .	313, 697, 849	Newspapers (Old)	
Monopoly tax changes.. . . .	65, 313	India, imports and market.. . . .	594
	450, 609, 1017		
Oats, imports and market.. . . .	293		
Oil cakes and meals, imports and market.. . . .	252		
Oil seeds, imports.. . . .	251		
Oils (vegetable), imports and production.. . . .	251		

	PAGE		PAGE
Newsprint		New Zealand—Con.	
Argentina, imports and market..	55, 739	Trade agreement with Canada extended..	449
Australia, imports, 1936-37..	211	Trade routes..	198
1937-38, from Canada ..	757	Trade with Canada..	196
Tariff Board report..	816	Jan.-March, 1938..	159
Brazil, imports in 1937..	881	Travellers, regulations regarding commercial..	199
British Honduras, imports in 1937 ..	968	Vegetables (canned), imports and market..	468
British West Indies, Jamaica, imports in 1937..	423	Weights and measures..	197
India, imports and market..	593	Wheat, imports and market..	236
imports from Canada, 1936-37..	596		
Japan, imports from Canada, 1937..	496	Nickel	
Jan.-March, 1938..	141	France, imports in 1937..	6
Jan.-June, 1938..	646	Japan, imports from Canada, 1937..	496
Netherlands, quota fixed..	145	See also Metals and Minerals	
New Zealand, imports from Canada, Jan.-March, 1938..	161	Nigeria	
Portugal, imports and market..	1112	See British West Africa	
South Africa, imports in 1937..	14, 44	Nitrates	
Tasmania, imports in 1936-37..	862	Chile, production..	846
projected industry..	858	See also Fertilizers	
United Kingdom, imports, Jan.-June, 1938..	231	Northern Ireland	
United States, imports, Jan.-June, 1938	710	See United Kingdom	
New Zealand		Northern Rhodesia	
Agricultural conditions..	194	Foreign trade in 1937..	864
Area and population..	193	exports..	865
Beans with pork (canned), imports and market..	471	imports..	866
Business methods..	197	from Canada..	867
Climate..	193	Norway	
Economic conditions, Jan.-March, 1938	157	Apples (fresh), imports and market..	625
Exports, Jan.-March, 1938..	157	Crop conditions..	61, 181, 390, 652, 871
principal commodities..	162	Flour, imports and production, 1930-37	301
Exports restricted..	1015	regulation of trade..	296
Foreign trade, 1928-37..	195	sales regulation, new..	746
Jan.-March, 1938..	157	Foxes (live), exports prohibited..	65
Fruits (canned), imports and market..	468	Honey, imports and market..	443
Import restrictions on motor vehicles removed..	312	Imports in 1937, detailed..	482
Imports, Jan.-March, 1938..	158	Reports of Trade Commissioner Richard Grew, Oslo:	
from Canada, detailed..	159	June 13, 1938..	61
Imports restricted..	1015, 1050, 1088	July 7, 1938..	181
Invoices, convenience of showing net weights..	142	July 26, 1937..	296
Jams and marmalade, imports and market..	470	August 1, 1938..	383
Map..	195	August 13, 1938..	442
Points for exporters..	193	August 16, 1938..	390
Refrigerators (electric), market..	240	August 24, 1938..	482
Reports of Trade Commissioner W. F. Bull, Auckland:		September 16, 1938..	624
June 30, 1938..	193	September 16, 1938..	625
August 8, 1938..	468	September 16, 1938..	627
Reports of Assistant Trade Commissioner R. P. Bower, Auckland:		September 16, 1938..	628
June 24, 1938..	157	September 16, 1938..	679
June 24, 1938..	236	September 17, 1938..	652
July 7, 1938..	239	September 19, 1938..	774
Soups (canned), imports and market..	472	September 28, 1938..	802
Standard of living..	194	October 24, 1938..	871
Tariff, decisions as to classification and rates..	33, 656, 785, 1016, 1122	Report of Assistant Trade Commissioner T. J. Monty, Oslo:	
deferred duties further postponed..	784	November 10, 1938..	1041
Tenders invited..	146, 257	Tariff changes..	506, 887
346, 562, 696, 816, 986, 1018		Wheat, imports, 1930-37..	299, 1041
Tomato products, imports and market	472	production and consumption..	300
		regulation of trade..	296

	PAGE		PAGE
Nyasaland		P	
Foreign trade in 1937.. . . .	473	Packing Requirements	
imports.. . . .	474	Australia.. . . .	277
from Canada.. . . .	475	Ceylon.. . . .	369
		Cuba.. . . .	324
O		Painters' Colours and Materials	
Oats		British West Indies, Jamaica, imports	
Belgium, imports and market.. . . .	378	in 1937.. . . .	423
British Guiana, imports and market..	363, 1004	Paints and Varnishes	
British West Indies, Bahamas, imports		Brazil, imports in 1937.. . . .	880
in 1937.. . . .	636	Palestine	
Barbados, imports and market..	363, 713	Apples (fresh), imports and market..	556
Trinidad, imports and market.. . .	363	Customs Agreement with Syria termi-	
Netherlands, imports and market.. . .	293	nated.. . . .	818
Switzerland, imports and market.. . .	341	Flour, imports and market.. . . .	1009
United Kingdom, imports, Jan.-June,		Foreign trade, Jan.-June, 1938.. . . .	970
1938.. . . .	227, 229	Import restrictions on wheat.. . . .	983
See also Grain		Radio equipment, imports and market	731
Oats (Rolled)		Tariff changes	505
United Kingdom, imports, Jan.-June,		Trade with Canada, 1937.. . . .	972
1938.. . . .	227, 229	Wheat, imports and market.. . . .	1006
Oats (Sussex Ground)		Panama	
United Kingdom, market in West of		Consular certification, presentation of	
England, Midlands and South		documents for.. . . .	1018
Wales.. . . .	576	Paper and Paper Products	
Oilcake and Oilmeal		Argentina, imports and market.. .	55, 738
Belgium, imports and market.. . . .	381	production.. . . .	53
British Guiana, imports and market..	362	Australia, imports in 1936-37.. . . .	210
British West Indies, Barbados and		imports in 1937-38, from Canada.. .	757
Trinidad, imports and market..	362	Brazil, imports in 1937.. . . .	881
France, imports and market.. . . .	245	British Guiana, imports in 1937.. . .	1005
Netherlands, imports and market.. . .	252	British Honduras, imports in 1937..	968, 969
Switzerland, imports and market.. . .	341	British West Indies, Barbados, im-	
Oilcloth		ports in 1937.. . . .	715
British West Indies, Jamaica, imports		Jamaica, imports in 1937.. . . .	423
in 1937.. . . .	423	India, imports and market.. . . .	593
Oilfield Supplies		imports from Canada, 1936-37.. .	596
British West Indies, Trinidad, imports		Japan, imports of newsprint from Can-	
and market.. . . .	118, 576	ada, 1937.. . . .	496
Oils		Jan.-March, 1938.. . . .	141
British West Indies, Jamaica, imports		Jan.-June, 1938.. . . .	646
of lubricating, fuel, etc., 1937..	422	Netherlands, quotas fixed.. . . .	145
See also Fats and Oils and Petro-		New Zealand, imports from Canada,	
leum		Jan.-March, 1938.. . . .	161
Oil Seeds		Norway, imports of wallpaper, 1937..	486
Netherlands, imports.. . . .	251	Portugal, imports and market.. .	1112, 1114
Onions		South Africa, imports in 1937.. . .	14, 44
Bermuda, imports from and exports		Tasmania, imports in 1936-37.. . .	862
to Canada and market.. . . .	935	projected industries.. . . .	858
British West Indies, Bahamas, imports		United Kingdom, imports of newsprint	
in 1937.. . . .	637	and cardboard, Jan.-June, 1938..	229, 231
Barbados, imports in 1937.. . . .	713	United States, imports of newsprint,	
Jamaica, imports and market.. .	360, 1101	Jan.-June, 1938.. . . .	710
Optical Supplies		Paraffin Wax	
Australia, imports in 1936-37.. . . .	241	Australia, imports in 1936-37.. . .	91
Ores		Parcel Post	
See Metals and Minerals		Burma, regulations regarding imports	657
Oyster Shell (Crushed)		See also Mail Services	
Belgium, imports and market.. . . .	381		

	PAGE		PAGE
Patent Leather		Petroleum	
Finland, imports in 1937.. . . .	803	Mexico, production, Aug.-Sept., 1938.	980
Portugal, imports and market.. . . .	1013	Peru, exports in 1937.. . . .	99
Sweden, imports in 1937.. . . .	776	United States, exports, Jan.-June, 1938	708
Payments Agreement		Philippine Islands	
Anglo-German agreement extended ..	118	Foreign trade in 1937.. . . .	310
Peaches and Pears (Canned)		exports.. . . .	311
United Kingdom, imports into and		imports.. . . .	311
market in Scotland.. . . .	798	Trade with Canada, 1937.. . . .	311
imports of pears, Jan.-June, 1938..	228, 230	Pickles and Sauces	
market in London.. . . .	759	British Malaya, imports and market..	544, 547
market in North of England.. . . .	796	British West Indies, Jamaica, imports	
market in West of England and		in 1937.. . . .	359
South Wales.. . . .	763	Netherlands India, imports and mar-	
See also Fruits (Canned)		ket.. . . .	545, 547
Pears (Fresh)		Siam, market.. . . .	547
United Kingdom, imports, Jan.-June,		Pilchards (Canned)	
1938.. . . .	229	British West Africa, market.. . . .	1105
Peas (Canned)		Pineapple (Canned)	
United Kingdom, market in London.	761	British Malaya, condition of industry.	435
market in North of England	798	See also Fruits (Canned)	
market in Scotland.. . . .	799	Pipes and Tubes	
See also Vegetables (Canned)		Australia, imports in 1936-37.. . . .	166
Peas (Whole and Split)		Plaster of Paris	
British West Indies, Jamaica, imports		Australia, imports in 1936-37.. . . .	210
in 1937.. . . .	358	Plastic Resins and Moulding Compounds	
Pencils		Australia, imports in 1936-37.. . . .	88
Australia, imports in 1936-37.. . . .	212	Plywood	
Perfumery		United Kingdom, imports into North	
British West Indies, Jamaica, imports		of England.. . . .	330
in 1937.. . . .	423	See also Lumber and Timber	
Peru		Points for Exporters	
Agricultural conditions in 1937.. . .	98	Australia.. . . .	272
Coal, imports and market.. . . .	1116	British West Africa.. . . .	1025, 1059, 1104
Economic conditions.. . . .	98	Ceylon.. . . .	265, 335, 367
Exports, Jan.-June, 1938.. . . .	1084	Cuba.. . . .	321
Foreign trade, Jan.-June, 1938.. . .	1084	New Zealand.. . . .	193
Jan.-Sept., 1938.. . . .	1086	Tasmania.. . . .	857
Imports, Jan.-June, 1938.. . . .	1085	Pollards	
Jute goods, imports and market.. . .	308	See Bran, Pollards, and Middlings	
Metals and minerals, exports in 1937.	99	Pork (Pickled and Salted)	
Petroleum, exports in 1937.. . . .	99	British Guiana, imports and market..	768
Port movement, Jan.-June, 1938.. .	1085	British Honduras, imports in 1937.. . .	967
Potatoes (seed), market.. . . .	480	British West Indies, Bahamas, imports	
Reports of Acting Trade Commis-		in 1937.. . . .	636
sioner S. G. MacDonald, Lima:		Barbados, imports and market.. .	713, 768
June 6, 1938.. . . .	98	Jamaica, imports in 1937.. . . .	359
June 8, 1938.. . . .	100	Trinidad, imports and market.. . .	768
June 23, 1938.. . . .	181	Sweden, imports in 1937.. . . .	775
July 2, 1938.. . . .	217	Portland Cement	
July 8, 1938.. . . .	308	See Cement	
July 28, 1938.. . . .	396	Portugal	
August 22, 1938.. . . .	480	Beverages (alcoholic), market.. . . .	1083
August 29, 1938.. . . .	654	Cheese, imports and market.. . . .	1083
September 23, 1938.. . . .	843	Chocolate, imports in 1936.. . . .	1083
November 9, 1938.. . . .	1046	Codfish (salt), imports and market..	1011
November 16, 1938.. . . .	1119		
November 19, 1938.. . . .	1116		
November 22, 1938.. . . .	1084		

	PAGE
Portugal—Con.	
Confectionery, imports in 1936.. . . .	1083
Flour, regulation of trade.. . . .	842
Foodstuffs, imports and market.. . . .	1081
Furs (dressed and undressed), imports and market.. . . .	939
Leather, imports and market.. . . .	1013
inquiries for.. . . .	840
Milk (powdered), imports in 1936.. . . .	1083
Newsprint, imports and market.. . . .	1112
Paper, imports and market.. . . .	1112, 1114
Pulp, imports in 1936.. . . .	1112
Rubber and rubber goods, imports in 1936.. . . .	872
Salmon (canned), imports and market	1081
Tariff changed.. . . .	65
Wallpaper, market.. . . .	1114
Wheat, imports and production.. . . .	840
regulation of trade.. . . .	840
Wood-pulp, imports and market.. . . .	1111

Postal Rates

Australia.. . . .	277
British Malaya.. . . .	18
Cuba.. . . .	324
South Africa, under-stamping of mail to.. . . .	169

Postal Services

See Mail Services

Potatoes

Bermuda, imports and market.. . . .	585
Brazil, imports in 1937.. . . .	588, 882
British Guiana, imports and market.. . . .	411, 1004
British Honduras, imports in 1937.. . . .	969
British Malaya, imports and market.. . . .	437
British West Indies, Bahamas, imports and market.. . . .	587, 636
Barbados, imports and market.. . . .	713, 411
Jamaica, imports and market.. . . .	360, 521
Leeward Islands, imports and market.. . . .	411
Trinidad, imports and market.. . . .	411
Windward Islands, imports and market.. . . .	411
Cuba, imports and market.. . . .	525
Dominican Republic, imports and market.. . . .	531
Haiti, imports and market.. . . .	533
Hongkong, imports and market.. . . .	431
Netherlands India, imports and market.. . . .	439
Siam, imports and market.. . . .	439
United States, imports and market.. . . .	523

Potatoes (Seed)

Argentina, market.. . . .	478
Bermuda, imports and market.. . . .	585
Brazil, imports and market.. . . .	590, 883
British West Indies, Bahamas, imports and market.. . . .	587
Jamaica, imports and market.. . . .	522
Chile, market.. . . .	480
Cuba, import regulations.. . . .	402
imports and market.. . . .	525
Dominican Republic, imports and market.. . . .	531
Ecuador, market.. . . .	481

Potatoes (Seed)—Con.

Haiti, imports and market.. . . .	533
Netherlands India, imports and market.. . . .	439
Peru, market.. . . .	480
United States, imports and market.. . . .	523
Uruguay, market.. . . .	478

Poultry Feed and Supplies

British Honduras, imports in 1937.. . . .	969
---	-----

Publications

Canada-United States and United Kingdom-United States Trade Agreements, pamphlet available.. . . .	960
List of departmental.. . . .	110, 190, 1094
List of the Imperial Economic Committee's.. . . .	70, 894

Pulp

Japan, imports, 1937.. . . .	493, 496
Jan.-March, 1938.. . . .	138, 140
Jan.-June, 1938.. . . .	643, 646
Portugal, imports in 1936.. . . .	1112
See also Wood-pulp	

Pulpboards

South Africa, imports in 1937.. . . .	46
---------------------------------------	----

Pulpwood

Norway, imports in 1937.. . . .	486
---------------------------------	-----

R

Radio Receiving Sets

Palestine, imports and market.. . . .	731
Tasmania, market.. . . .	863

Rails

Brazil, imports of steel, 1937.. . . .	877
--	-----

Raisins

Norway, imports in 1937.. . . .	483
---------------------------------	-----

Rayon

See Silk (Artificial) Piece-goods

Refrigerators

Australia, imports in 1936-37.. . . .	125
See also Electric Refrigerators	

Rice

Japan, crop estimate for 1938.. . . .	815
---------------------------------------	-----

Rifles

Australia, imports in 1936-37.. . . .	243
---------------------------------------	-----

Rolling Stock (Railway)

British West Indies, Jamaica, imports in 1937.. . . .	419
---	-----

Rope

Australia, imports in 1936-37.. . . .	90
---------------------------------------	----

Roumania

Foreign trade, Jan.-June, 1938.. . . .	941
Grain, estimated production in 1938.. . . .	942
Wheat, export bounty fixed.. . . .	942

	PAGE		PAGE
Rubber		Sardines (Canned)—Con.	
Argentina, imports..	689	British West Africa, market.. . . .	1104
British Malaya, exports, Jan.-May, 1938..	434	South Africa, imports in 1937.. . . .	47
Ceylon, production and exports.. . .	267	See also Fish (Canned)	
Netherlands India, exports..	395	Sauces	
Portugal, imports in 1936..	872	See Pickles and Sauces	
Rubber Bands (Growers')		Sausage Casings	
United Kingdom, market in West of England..	1040	See Casings	
Rubber Goods		Scrap Metal	
Argentina, imports and production..	689	See Metal (Scrap)	
Australia, imports in 1936-37.. . . .	207	Seed Offal	
Brazil, imports in 1937..	878	Netherlands, imports and market.. .	294
France, imports from Canada, 1937..	7	Seed Potatoes	
Portugal, imports in 1936..	872	See Potatoes (Seed)	
Sweden, imports in 1937..	776	Seeds (Grass and Clover)	
See also Footwear (Rubber) and Tires and Tubes		France, market..	247
Rugs		United States, imports and market..	1076
Australia, imports in 1936-37.. . . .	89	Sewing Machines	
Rye		Brazil, imports in 1937..	877
Belgium, imports and market.. . . .	379	British West Indies, Jamaica, imports in 1937..	421
Finland, imports in 1937..	803	Shingles	
Germany, imports and exports.. . .	74	British West Indies, Bahamas, imports in 1937..	637
Norway, imports in 1937..	483	Barbados, imports in 1937..	714
See also Grain		Jamaica, imports in 1937..	417
S		Trinidad, imports and market.. . .	1037
St. Lucia		United States, quota on red cedar, July-Dec., 1938..	608
See British West Indies		Shipbuilding	
Salmon		United Kingdom, conditions in indus- try..	154
Finland, imports of salted, 1937.. . .	803	conditions in the North of England..	633
Sweden, imports of frozen and salted, 1937..	775	decline in 1937-38..	933
See also Fish (Fresh, Frozen, and Preserved)		Shipping	
Salmon (Canned)		British West Indies, Barbados, figures for 1937..	711
Australia, imports in 1936-37.. . . .	87	Jamaica, figures for 1937..	468
Portugal, imports and market.. . . .	1081	Ceylon, figures for 1937..	271
South Africa, imports and market..	47, 1057	World tonnage in June, 1938.. . . .	934
Tasmania, market..	863	Shipping Services	
United Kingdom, imports, Jan.-June, 1938..	228, 230	Australia, facilities for Canadian ex- porters..	277
prices in the West of England.. . .	800	new direct service from Vancouver..	1097
See also Fish (Canned)		British Malaya, improvement.. . . .	436
Salt		Ceylon, facilities..	370
British West Indies, Jamaica, imports in 1937..	359	Cuba, facilities..	324
Sarawak		New Zealand, facilities..	198
Foreign trade in 1937..	18	Shirts (Men's)	
imports..	18	Brazil, market..	559
Sardine Oil		British Honduras, imports in 1937..	965, 968
United States, production and con- sumption..	19, 21	Shoes	
Sardines (Canned)		See Footwear	
Australia, imports in 1936-37.. . . .	87		
Brazil, imports in 1937..	883		

	PAGE
Shooks (Box)	
British West Indies, Barbados, im- ports of and staves, 1937.. . . .	714
South Africa, imports and production	592

Siam

Apples (fresh), market.. . . .	690,694
Documentation requirements.. . . .	314,746
Economic conditions.. . . .	503
Exports, Jan.-May, 1938, detailed.. . .	504
Foreign trade, Jan.-May, 1938.. . . .	504
Fruits (canned), market.. . . .	542
Fruits (dried), market.. . . .	547
Invoice requirements.. . . .	888
Jams and marmalade, market.. . . .	546
Pickles and sauces, market.. . . .	547
Potatoes, imports and market.. . . .	439
Vegetables (canned), market.. . . .	542

Sierra Leone

See British West Africa

Silk (Artificial) Piece-goods

Australia, imports in 1936-37.. . . .	90
Norway, imports in 1937.. . . .	484

Silk Cocoons

Japan, spring crop, 1938.. . . .	256,696
summer and autumn crop, 1938.. . .	885

Silk (Manufactured)

Australia, imports of piece-goods, 1936-37.. . . .	90
British West Indies, Jamaica, imports in 1937.. . . .	423
Norway, imports of piece-goods, 1937.	484

Silver

See Metals and Minerals

Skates (Ice)

Sweden, imports in 1937.. . . .	777
---------------------------------	-----

Soap

Australia, imports of toilet, 1936-37..	244
British Honduras, imports of perfumed and medicated, 1937.. . . .	969
British West Indies, Barbados, imports of toilet, 1937.. . . .	715
Jamaica, imports in 1937.. . . .	423

Softwoods

South Africa, imports in 1937.. . . .	45
<i>See also Lumber and Timber</i>	

Soups (Canned)

New Zealand, imports and market.. .	472
<i>See also Vegetables (Canned)</i>	

South Africa

Agricultural conditions.. . . .	285,794
Box shoos, imports and production..	592
Building conditions.. . . .	794
Chain store trade.. . . .	83
Dairy industry, production and ex- ports.. . . .	835
regulation.. . . .	836

South Africa—Con.

Economic conditions, Apr.-June, 1938.	284
July-Sept., 1938.. . . .	793
Footwear, imports of and market for women's.. . . .	235
Foreign trade, Jan.-May, 1938.. . . .	235
Forestry development and effect on lumber market.. . . .	591
Imports in 1937, detailed.. . . .	9,43
from Canada, detailed.. . . .	41
Industrial survey.. . . .	234
Market prospects.. . . .	48
Meters (electric), imports and market	963
Mushrooms (canned), market.. . . .	430
Postage, complaint regarding short- paid.. . . .	169
Reports of Trade Commissioner G. R. Heasman, Cape Town:	
May 13, 1938.. . . .	9,41
June 14, 1938.. . . .	125
July 18, 1938.. . . .	234
July 18, 1938.. . . .	235
July 26, 1938.. . . .	284
August 29, 1938.. . . .	591
October 11, 1938.. . . .	835
October 14, 1938.. . . .	793
October 31, 1938.. . . .	963
Report of Assistant Trade Commis- sioner H. W. Brighton, Cape Town:	
June 4, 1938.. . . .	83
Report of Trade Commissioner J. L. Mutter, Johannesburg:	
July 30, 1938.. . . .	473
Reports of Assistant Trade Commis- sioner J. C. Britton, Johannes- burg:	
August 4, 1938.. . . .	425
August 11, 1938.. . . .	430
October 18, 1938.. . . .	864
November 28, 1938.. . . .	1057
Salmon (canned), imports and market	1057
Tariff, customs tolerance on weight of canned salmon.. . . .	399
temporary remission of duty on wooden boxes.. . . .	449

Southern Rhodesia

Foreign trade in 1937	425
exports.. . . .	428
imports.. . . .	426
Tariff, changes.. . . .	63
duty suspension on cheese of Empire origin.. . . .	185
Trade with Canada, 1937.. . . .	429

Starch

United Kingdom, use of in washing coal and market prospects for Canadian.. . . .	932
--	-----

Stationery

British West Indies, Jamaica, imports in 1937.. . . .	423,424
<i>See also Paper and Paper Products</i>	

	PAGE
Stoves and Ranges	
Australia, imports of gas, 1936-37.. . .	165
South Africa, imports of and parts, 1937..	45
See also Electric Stoves	
Straw	
Switzerland, imports and market.. . .	342
Sugar	
British Honduras, imports in 1937.. . .	966
Cuba, production and exports, 1937.. .	59
Netherlands India, production and ex- ports	395
Sulphate of Ammonia	
See Ammonium Sulphate	
Sweden	
Apples (fresh), imports and market.. .	627
Crop reports..	62, 391, 653, 871
Flour, imports, 1930-37	389
milling regulations..	146, 609, 1042
regulation of trade..	383
Grain control system..	385
Honey, imports and market..	442
Imports in 1937, detailed..	774
Tariff, wheat tax increased..	609
Wheat, imports and exports, 1930-37..	387
regulation of trade..	383
Switzerland	
Barley, imports and market..	341
Exports to Canada in 1937, detailed..	291
Feedstuffs, imports and market.. . . .	340
Flour, regulation of trade..	250
Hay, imports and market..	342
Imports from Canada in 1937, detailed	289
Oats, imports and market..	341
Oil cakes and meal, imports and market..	341
Straw, imports and market..	342
Tariff changes..	450
Trade with Canada, 1937..	287
Wheat, imports..	250
regulation of trade..	248

T

Tacks	
Australia, imports in 1936-37.. . . .	166
Brazil, imports in 1937..	879
New Zealand, imports from Canada, Jan.-March, 1938..	161
Tanganyika Territory	
Foreign trade in 1937..	125
exports..	126
imports..	126
from Canada..	126
Tariff Changes and Customs Regulations	
Argentina, import permits required ..	849
Australia, decisions as to classification and rates..	448, 744, 982, 1050
duties changed..	1049, 1088
electrical standards, regulations re- garding..	33

	PAGE
Tariff Changes and Customs Regulations— Con.	
Australia—Con.	
motor vehicle parts, reduction in Canadian content requirement..	982, 1016
motor vehicles, import quotas for 1939-40..	1121
mowers, treatment of power.. . . .	744
newsprint, Tariff Board report on..	816
sales tax increased..	784
screw hooks and eyes, duty deferred on and rings..	656
Belgium, cardboard, import licence required..	561
cheese, import licence requirements..	609, 697
flour, licence tax increased.. . . .	561, 609
paper, import licence requirement..	561
rubber boots and shoes, duties changed..	145
wheat, licence tax increased.. . . .	561
licence tax re-imposed..	185
wheat products, new licence taxes established..	218
Bermuda, potatoes, imports restricted..	399, 560
Bolivia, duties changed..	34, 887
import prohibition on rice, sugar and flour..	818
import prohibitions removed.. . . .	887
British West Indies, Bahamas, onions, duty reduced..	505
Jamaica, beverages (alcoholic), duties increased..	399
St. Lucia, motor vehicles, prohibition of imports with left-hand drives..	945
Trinidad, duties changed following the United Kingdom-United States Trade Agreement..	1089
potatoes, duty changed..	185
Burma, paper, duty reduced..	561
parcel post, regulations regarding imports..	657
wood-pulp, duty reduced..	561
Canada, exports to the United States under quota provisions of trade agreement	32, 257, 284, 610, 780, 981
seed potatoes..	786
exports to the United States under the trade agreement effective Jan. 1, 1936..	114, 280, 550, 716, 928, 1072
trade agreement with United King- dom, changes in margins..	915, 921
1938 trade agreement with United States, details and proclama- tion..	897, 953
Chile, tractor tires, duty reduced.. .	1051
China, consular invoice requirements..	258
duties changed in North..	63, 146
Cyprus, flour and wheat, duties changed..	104
Denmark, Grain Law amended.. . . .	946
import restrictions, removal of some..	450, 1089
oats, imports restricted..	609
wheat and rye, import and export restrictions..	450
Dominican Republic, trade-mark law amended..	562
Ecuador, new rates in effect..	185

Tariff Changes and Customs Regulations— Con.

Egypt, pharmaceutical preparations to show sales price.. . . .	818
Federated Malay States, food and drugs, new legislation governing sale.. . . .	657
Finland, grain and flour, duties changed.. . . .	985
grain, new law passed.. . . .	658, 746
France, changes.. . . .	1016
quotas allotted to Canada.. . . .	65, 658, 1016
French Colonies, wheat and flour, imports prohibited.. . . .	849, 888
Germany, barley meal, duty reduced.. . . .	887
grain, duty reduced on imports into Austria.. . . .	888
Honduras, certificates of origin, regulations regarding.. . . .	34, 104
India, duties changed.. . . .	142
milk, duty reduced on dried skimmed.. . . .	505
wheat and flour, duties changed.. . . .	1051
Ireland, apples, free entry under licence.. . . .	1087
certificate of origin regulations changed.. . . .	447, 886
duties changed.. . . .	32, 345, 448
fruits (preserved), import restrictions.. . . .	346
hay and straw, imports restricted.. . . .	448
import quotas established.. . . .	258, 505
maize meal milling regulations.. . . .	258
silk (artificial) fabric, duty on knitted.. . . .	345
Italy, import restrictions, list of products affected by.. . . .	34, 145
metals, restrictions on uses.. . . .	401
Japan, Douglas fir, sales restriction.. . . .	314
Emergency Import and Export Control Law, review of.. . . .	94, 401
export restrictions.. . . .	506
Fodder Distribution Control Law effective.. . . .	986
price control.. . . .	402
trade control regulations revised.. . . .	698
Latvia, newsprint and cardboard, duties reduced.. . . .	946
Manchukuo, flour, duty suspended.. . . .	146, 698
Mexico, duties changed.. . . .	562, 746
duty exemptions.. . . .	346
exports, tax on.. . . .	346
silk (artificial) yarn, duty increased.. . . .	818
Netherlands, boots (rubber), imports restricted.. . . .	849
cereals and cereal products, monopoly tax increased.. . . .	313, 450, 1017
feeding cakes, import restrictions.. . . .	313
flour, monopoly tax increased.. . . .	65, 450
fruits, exemption from turnover tax.. . . .	697
plywood, import restrictions.. . . .	697
quotas fixed for paper and paper products.. . . .	145
rye, monopoly tax increased.. . . .	450, 609
Turnover Tax Law extended.. . . .	887
wheat, monopoly tax increased.. . . .	450
Netherlands India, medicines, sale of strong regulated.. . . .	946
paper, quota on packing extended.. . . .	698
surtax, proposed increase.. . . .	888

Newfoundland, confectionery in bars, duty changed.. . . .	313
live stock, health certificates required.. . . .	886
modifications under United Kingdom-United States Trade Agreement.. . . .	926, 982
New Zealand, decisions regarding classification and rates.. . . .	33, 656, 785, 1016, 1122
deferred duties further postponed.. . . .	784
exports restricted.. . . .	1015
imports restricted.. . . .	1015, 1050, 1088
invoices, convenience of showing net weights on.. . . .	142
motor vehicles, import restrictions removed.. . . .	312
privileged goods, time extended for shipment.. . . .	1088
Norway, apples (fresh), duty reduced.. . . .	887
duties changed.. . . .	506
flour, sales regulation.. . . .	746
foxes (live), exports prohibited.. . . .	65
Palestine, flour, duty changed.. . . .	505
wheat, duty changed.. . . .	505
storage and import restrictions.. . . .	983
Panama, consular certification, presentation of documents for.. . . .	1018
Portugal, codfish, duty reduced.. . . .	65
Siam, documentation requirements.. . . .	314, 746
invoices, regulations regarding.. . . .	888
weights to be shown on.. . . .	746
South Africa, salmon (canned), customs tolerance on weight.. . . .	399
wooden boxes, temporary remission of duty.. . . .	449
Southern Rhodesia, cheese, duty suspended on Empire.. . . .	185
duties changed.. . . .	63
Straits Settlements, designs, protection of United Kingdom.. . . .	817
textile goods, maximum import quotas established.. . . .	1089
Sweden, flour-milling regulations.. . . .	146
609, 1042	
wheat, tax increased.. . . .	609
Switzerland, wheat and rye, duty changed.. . . .	450
Syria, duties changed.. . . .	258
Tongan Islands, duties changed.. . . .	745
United Kingdom, 1938 trade agreement with the United States, details and proclamation.. . . .	912, 953
certificates of origin, requirements of form 119.. . . .	104, 696
duties changed.. . . .	103, 312
flour, quota payments.. . . .	398, 849, 981
hickory handles, Empire content requirement reduced.. . . .	398
requirements for costings withdrawn.. . . .	849
machinery, exemptions from duty.. . . .	784
Merchandise Marks Act, Committee recommendations.. . . .	62, 398
draft Order in Council.. . . .	945
Orders in Council adopted.. . . .	184, 447

	PAGE		PAGE
Tariff Changes and Customs Regulations—		Tenders Invited	
<i>Con.</i>		Australia..	986
United Kingdom— <i>Con.</i>		government hospitals in Western..	640
trade agreement with Canada.		New Zealand..	146, 257, 346
changes in margins..	915, 921		562, 696, 816, 986, 1018
United States, 1938 trade agreement		Textiles	
with Canada, details and pro-		Australia, imports in 1936-37.. . . .	89
clamation..	897, 953	<i>See also</i> Cotton (Manufactured)	
1938 trade agreement with United		and Silk	
Kingdom, details and procla-		Threads	
mation	912, 953	Australia, imports in 1936-37.. . . .	91
agricultural machinery (knocked		Timber	
down), marking requirements..	506	<i>See</i> Lumber and Timber	
consular invoices, list of commodi-		Timothy Seed	
ties not requiring..	984	United States, imports and market..	1045
imports from Canada under quota		Tin	
provisions of trade agreement..	32, 257	Bolivia, exports in 1937..	1119
284, 610, 780, 981		British Malaya, exports, Jan.-May,	
seed potatoes..	786	1938..	434
imports from Canada under the		Tires and Tubes	
trade agreement effective Jan. 1,		Argentina, imports and production..	689
1936..	114, 280, 550, 716, 928, 1072	British Guiana, imports in 1937.. . . .	1004
lumber, interpretation of term		British Honduras, imports in 1937.. . .	967
"board measure" for tax and		British West Indies, Bahamas, imports	
exemptions..	400	in 1937..	638
marking exemption operative.. . .	953	Barbados, imports in 1937..	714
marking regulations..	346	Jamaica, imports in 1937..	419
revenue tax removed..	185	Finland, imports in 1937..	804
marking regulations changed..	143, 400, 786	France, imports in 1937..	7
shingles (red cedar), quota fixed for		New Zealand, imports of pneumatic	
July-Dec., 1938..	608	from Canada, Jan.-March, 1938..	161
ship and aircraft supplies, exemp-		Norway, imports in 1937..	485
tion from duty..	313	Portugal, imports in 1936..	872
tourists' goods, change in exemption	143	South Africa, imports in 1937.. . . .	14, 43
Venezuela, certificates of origin, regu-		Sweden, imports in 1937..	776
lations regarding..	658	Tobacco	
consular invoice form changed.. . .	1017	Australia, imports in 1936-37.. . . .	87
<i>See also</i> Trade Agreements		British Guiana, imports in 1937.. . .	1004
Tasmania		British Honduras, imports in 1937.. . .	966
Agriculture, production in 1936-37.. . .	860	British West Indies, Jamaica, imports	
Apples, production..	860	in 1937..	360
Dairy production..	861	Cuba, production and exports, 1937..	60
Economic conditions..	861	United Kingdom, imports, Jan.-June,	
Electrical supplies and appliances,		1938..	228, 230
market..	863	Tobacco (Manufactured)	
Foreign trade in 1936-37..	861	British Honduras, imports in 1937.. . .	966
Hardware, market..	863	British West Indies, Jamaica, imports	
Imports in 1936-37, detailed..	862	in 1937..	360
Industrial development..	859	Toiletries	
Mining industry..	858	Australia, imports in 1936-37.. . . .	242
Physical and climatic conditions.. . .	857	Tomatoes and Tomato Products (Canned)	
Points for exporters..	857	Netherlands, imports and market.. . .	729
Pulp and paper industries, projected..	858	New Zealand, imports and market..	472
Salmon (canned), market..	863		
Timber, production in 1936-37.. . . .	858		
Trade routes..	863		
Wool, clip in 1936-37..	860		
Tea			
British Honduras, imports in 1937.. . .	969		
British West Indies, Jamaica, imports			
in 1937..	360		
Ceylon, production..	267		

	PAGE
United Kingdom—Con.	
Food Trades' Exhibition at Birmingham..	833
Foreign trade, Jan.-June, 1938..	225
distribution of..	409
Jan.-Sept., 1938..	994
October, 1938..	994
Fruits (canned), imports and market..	825
imports from Canada..	829
imports into and market in Scotland..	793
market in London..	757
market in North of England..	795
market in West of England and South Wales..	762
Hay, crop and market conditions..	201
London..	764
North of England..	203, 765
Scotland..	204, 766
Southeastern England..	202, 764
West of England, South Midlands and South Wales..	202, 765
Hosiery, imports and exports..	957
production in South Midlands..	953
regulations relating to trade changed..	1099
Imperial Fruit Show at Bristol, 1938..	995
Imports, Jan.-June, 1938, detailed..	225, 227, 229
from Canada, detailed..	227
Industries in Bristol..	766
Iron and steel, production and exports..	154
Lobster (canned), imports and market..	80
Macaroni, imports into and market in West of England, South Midlands and South Wales..	669
Merchandise Marks Act, Committee recommendations..	62, 398
draft Order in Council..	945
Orders in Council adopted..	184, 447
Metal (scrap), imports and market..	665
market in North of England..	668
market in West of England, South Midlands and South Wales..	667
<i>Modus vivendi</i> with Chile extended..	104, 887
Motor vehicles, imports and exports..	371
Northern Ireland, alfalfa meal, market..	520
economic conditions..	720
foreign trade in 1937..	670
exports..	671
imports..	671
reports of Trade Commissioner James Cormack, Belfast:	
August 31, 1938..	670
September 23, 1938..	720
report of E. Roy, office of the Trade Commissioner, Belfast:	
August 5, 1938..	520
Plywood, imports into North of England..	330
Reports of Trade Commissioner E. L. McColl, Bristol:	
July 19, 1938..	202
July 22, 1938..	205
August 5, 1938..	517
September 1, 1938..	573
September 13, 1938..	667
September 27, 1938..	669
October 14, 1938..	765

	PAGE
United Kingdom—Con.	
Reports of Trade Commissioner E. L. McColl, Bristol—Con.	
October 21, 1938..	833
November 8, 1938..	953
November 17, 1938..	993
December 8, 1938..	1099
Reports of Assistant Trade Commissioner L. H. Ausman, Bristol:	
September 29, 1938..	766
October 18, 1938..	800
October 26, 1938..	762
November 1, 1938..	932
November 12, 1938..	995
November 15, 1938..	1040
December 6, 1938..	1097
December 8, 1938..	1099
Reports of Trade Commissioner G. B. Johnson, Glasgow:	
July 19, 1938..	204
August 5, 1938..	519
October 14, 1938..	766
October 26, 1938..	798
November 1, 1938..	927
November 18, 1938..	1038
Reports of Trade Commissioner H. R. Poussette, Liverpool:	
June 6, 1938..	15
August 5, 1938..	519
August 6, 1938..	329
Reports of Acting Trade Commissioner Blair Birkett, Liverpool:	
July 19, 1938..	203
August 15, 1938..	371
September 13, 1938..	668
September 19, 1938..	631
October 14, 1938..	765
October 26, 1938..	795
November 22, 1938..	999
Reports of Chief Trade Commissioner Frederic Hudd, London:	
July 11, 1938..	153
July 14, 1938..	232
July 19, 1938..	201
July 20, 1938..	225
August 5, 1938..	514
August 25, 1938..	409
September 1, 1938..	513
September 15, 1938..	569
October 14, 1938..	764
October 26, 1938..	825
November 3, 1938..	933
Reports of Trade Commissioner J. H. English, London:	
August 5, 1938..	286
September 20, 1938..	665
November 16, 1938..	958
Reports of Assistant Trade Commissioner H. L. Brown, London:	
July 19, 1938..	202
August 5, 1938..	515
August 6, 1938..	331
November 24, 1938..	1025, 1059, 1104
Reports of Assistant Trade Commissioner S. V. Allen, London:	
June 24, 1938..	80
August 23, 1938..	570
October 26, 1938..	757

United Kingdom—Con.

PAGE

Reports of Fruit Trade Commissioner W. B. Gornall, London:	
September 16, 1938.....	618
November 12, 1938.....	995
Royal Agricultural Society's Show at Cardiff.....	205
Rubber bands, market for growers' in West of England.....	1040
Salmon (canned), prices in West of England.....	800
Scottish Building Centre in Glasgow..	1038
Shipbuilding, conditions.....	154
North of England.....	17, 633
decline in 1937-38.....	933
Starch, use of in washing coal and market prospects for Canadian..	932
Tariff changes.....	103, 312, 398, 784, 849
Timber, imports into and market in North of England.....	329
Tomatoes (canned), imports and market.....	286
Trade agreement with Canada, changes in margins.....	915, 921
Trade agreement with the United States, 1938, details and procla- mation.....	912, 953
Trade with Canada, Jan.-June, 1938..	410
Underwear, imports and exports.....	957
production in South Midlands.....	953
Vegetables (canned), imports and market.....	825
imports from Canada.....	829
market in London.....	757
market in North of England.....	795
market in Scotland.....	799
market in West of England and South Wales.....	762
Whale oil, imports and market.....	334
Wheat, regulation of trade.....	232

United States—Con.

PAGE

Reports of Trade Commissioner D. S. Cole, New York City:	
August 27, 1938.....	415
September 14, 1938.....	672
September 19, 1938.....	585
October 7, 1938.....	705
November 17, 1938.....	935
Reports of Assistant Trade Commis- sioner R. G. C. Smith, New York City:	
June 9, 1938.....	19
September 3, 1938.....	440
September 9, 1938.....	523
October 29, 1938.....	837
November 19, 1938.....	1042, 1076
Report of Assistant Trade Commis- sioner C. H. West, New York City:	
November 18, 1938.....	975
Report of W. D. Wallace, office of the Trade Commissioner, New York City:	
August 17, 1938.....	373
Shingles (red cedar), quota fixed for July-Dec., 1938.....	608
Tariff, changes.....	185, 400
duty exemptions.....	143, 313
Trade agreement with Canada, 1938, details and proclamation.....	897, 953
Trade agreement with the United Kingdom, 1938, details and procla- mation.....	897, 953
Turnips, imports and market.....	837
Whale oil, production and consumption	20

Uruguay

Potatoes (seed), market.....	478
------------------------------	-----

V

Vacuum Cleaners

Australia, imports in 1936-37.....	243
Norway, imports of and parts, 1937..	487

Varnishes

Brazil, imports in 1937.....	880
------------------------------	-----

Vegetable Oils

Chile, market.....	217
Netherlands, imports and production..	251
See also Fats and Oils	

Vegetables (Canned)

Bermuda, imports and market.....	672
British Guiana, imports and market..	461
British Honduras, imports in 1937..	969
British Malaya, imports and market..	542
British West Indies, Bahamas, imports and market.....	580, 636
Barbados, imports and market.....	461, 713
Jamaica, imports and market.....	360, 582
Trinidad, imports and market.....	461
Burma, market.....	539
Ceylon, market.....	539
Egypt, market for asparagus.....	1011
Hongkong, imports and market.....	539
India, imports and market.....	535

United States

Blueberries (fresh), market conditions in New York.....	373
Christmas trees, imports and market	440
Clover seed, imports and market.....	1042, 1076
Consular invoices, list of commodities not requiring.....	984
Cranberries, production.....	975
Exports, Jan.-June, 1938, detailed.....	706
Fish oils, imports and market.....	19
Foreign trade, Jan.-June, 1938.....	705
Grass seed, imports and market.....	1042, 1076
Imports from Canada under quota provisions of trade agreement.....	32,
257, 284, 610, 780, 981	
seed potatoes.....	786
Imports from Canada under the trade agreement effective Jan. 1, 1936	114
280, 550, 716, 928,	1072
Imports, Jan.-June, 1938, detailed.....	709
Marking requirements, agricultural machinery (knocked down).....	506
changes.....	143, 400, 786
lumber.....	346
exemption operative.....	953
Potatoes (table and seed), imports and market.....	523

	PAGE		PAGE
Vegetables (Canned)—<i>Con.</i>		Whale Oil	
Ireland, market for asparagus.. . . .	962	United Kingdom, imports and market	334
Netherlands, imports of and market for tomato products.. . . .	729	United States, production and con- sumption.. . . .	20
Netherlands India, imports and market	542	Wheat	
New Zealand, imports and market.. imports from Canada, Jan.-March, 1938.. . . .	468 160	Argentina, official estimates of 1938 acreage.. . . .	654, 809, 1071
Siam, market.. . . .	542	Australia, acreage for 1938-39 and crop prospects.. . . .	279, 578, 721, 936, 1100
South Africa, imports in 1937.. . . .	48	crop estimate for 1937-38.. . . .	168, 278
market for mushrooms.. . . .	430	export market conditions.. . . .	168, 278
United Kingdom, imports and market 286, 825		578, 721, 936, 1067	
imports and market in London..	757, 958	fixed home consumption price.. . . .	1100
imports from Canada.. . . .	829	Austria, imports and market.. . . .	80
market in North of England.. . . .	795	Belgium, imports, Jan.-June, 1938.. . . .	602
market in Scotland.. . . .	799	Brazil, imports in 1937.. . . .	883
market in West of England and South Wales.. . . .	762	Cyprus, imports and market.. . . .	771
Vegetables (Fresh)		Denmark, imports, 1931-37.. . . .	681
British Guiana, imports in 1937.. . . .	1004	production and consumption.. . . .	682
British West Africa, market.. . . .	1110	Dominican Republic, imports from Canada, 1937.. . . .	737, 738
British West Indies, Jamaica, imports in 1937.. . . .	360	Egypt, production and exports.. . . .	778
Norway, imports of tomatoes, 1937..	483	Europe, prices of domestic and bread..	872
United States, imports of and market for turnips.. . . .	837	Finland, imports in 1937.. . . .	803
<i>See also Onions and Potatoes</i>		France, imports and exports, 1931-37..	728
Veneers		imports in 1937.. . . .	4
<i>See Lumber and Timber</i>		situation and market prospects.. . . .	177
Venezuela		Germany, imports and exports.. . . .	74
Certificates of origin, regulations re- garding.. . . .	658	market.. . . .	73
Consular invoice form changed.. . . .	1017	Greece, imports, 1937.. . . .	805
W		Jan.-June, 1938.. . . .	941
Wallpaper		India, crop forecast for 1937-38.. . . .	640
Australia, imports in 1936-37.. . . .	212	Ireland, imports.. . . .	460
Norway, imports in 1937.. . . .	486	Italy, imports, Jan.-July, 1938.. . . .	651
Portugal, market.. . . .	1114	yield in 1938.. . . .	804
Wall Parts		Japan, imports, 1937, from Canada..	496
Washing Machines		Jan.-March, 1938.. . . .	141
Australia, imports in 1936-37.. . . .	124	Jan.-June, 1938.. . . .	646, 742
New Zealand, imports from Canada, Jan.-March, 1938.. . . .	161	market situation.. . . .	141
Watches and Chronometers		Malta, imports in 1937.. . . .	51
Australia, imports in 1936-37.. . . .	241	Netherlands, imports.. . . .	170
Watch Glasses		production, 1929-37.. . . .	173
Australia, imports in 1936-37.. . . .	210	New Zealand, imports and market..	236
Wax (Paraffin)		imports from Canada, Jan.-March, 1938.. . . .	160
Australia, imports in 1936-37.. . . .	91	Norway, imports.. . . .	1041
Weights and Measures		1930-37.. . . .	299
Cuba, system.. . . .	323	1937.. . . .	482
New Zealand, system.. . . .	197	production and consumption.. . . .	300
		Palestine, imports and market.. . . .	1006
		Portugal, imports and production.. .	840
		Roumania, export bounty fixed.. . .	942
		Sweden, exports, 1930-37.. . . .	387, 388
		imports, 1930-37.. . . .	387, 388
		1937.. . . .	775
		Switzerland, imports.. . . .	250
		imports from Canada, 1937.. . . .	289
		Syria and the Lebanon, yields in 1938	842
		Trade regulation:	
		Belgium.. . . .	600
		Denmark.. . . .	679
		Egypt.. . . .	777
		France.. . . .	724, 1041
		Greece.. . . .	804
		Ireland.. . . .	458

	PAGE		PAGE
Wheat—Con.		Wireless Sets	
Trade regulation— <i>Con.</i>		See Radio Receiving Sets	
Italy..	648	Wires (Conducting)	
Japan..	740	Norway, imports in 1937..	487
Netherlands..	170	Wood-pulp	
Norway..	296	Argentina, imports and market.. . .	54
Portugal..	840	Australia, imports in 1936-37.. . .	88
Sweden..	383	Brazil, imports in 1937..	882
Switzerland..	248	France, imports in 1937..	6
Syria and the Lebanon..	842	India, imports and market..	366
United Kingdom..	232	Portugal, imports and market.. . . .	1111
United Kingdom, imports, Jan.-June,		Tasmania, projected industries.. . .	858
1938..	227, 229	United States, imports, Jan.-June, 1938	710
World supplies of durum..	599	See also Pulp	
Wheat Products		Wool	
Belgium, new licence taxes established	218	Japan, imports, Jan.-June, 1938.. . .	643
Wheat (Seed)		New Zealand, sales in 1937-38.. . .	162
Ireland, imports and market.. . . .	459	Tasmania, clip in 1936-37..	860
Whisky		Woollen Piece-goods	
Australia, imports of rye from Canada,		Australia, imports in 1936-37.. . . .	90
1936-37..	87	Y	
British West Indies, Barbados, im-		Yarns	
ports in 1937..	713	Australia, imports in 1936-37.. . . .	90
Finland, imports in 1937..	803	Brazil, imports of silk, 1937..	880
Windward Islands		Yugoslavia	
See British West Indies		Foreign trade in 1937..	254
Wines		Trade with Canada, 1937..	255
British West Indies, Jamaica, imports		Z	
in 1937..	360	Zinc	
Wire		Brazil, imports in 1937..	879
Australia, imports in 1936-37.. . .	165, 168	France, imports from Canada, 1937.. .	5
Brazil, imports in 1937..	879, 880	Japan, imports from Canada, 1937.. .	496
British Honduras, imports in 1937.. .	968	See also Metals and Minerals	
South Africa, imports of fencing and			
netting, 1937..	44, 45		

LIST OF COVER ILLUSTRATIONS

	FACING PAGE
Argentina: Canadian Newsprint being landed at Rosario, Argentina.....	40
Unloading Seed Potatoes from Canada at Buenos Aires, Argentina.....	456
Australia: Cargo of Timber from Vancouver being discharged at Melbourne, Australia.	264
Discharging a Cargo of 7,500,000 Feet of Canadian Timber at Melbourne, Australia.....	72
SS. <i>Port Montreal</i> arriving at Melbourne, Australia, with General Cargo from Canada.....	616
Belgium: Unloading Canadian Apples at Antwerp, Belgium.....	792
Window Display of Canadian Products, Office of the Association Belgique-Canada at Brussels, Belgium.....	664
Cuba: Canadian Calcium Carbide shipped by All Rail Route and Car Ferry to Havana, Cuba.....	320
Canadian Certified Seed Potatoes being landed at Havana, Cuba.....	512
Unloading Canadian Spruce Lumber for Use as Boxwood from a Sailing Vessel at Havana, Cuba.....	1
India: Canadian Canned Goods loaded on Bullock Carts at Kidderpore Docks, Calcutta.....	704
Unloading Canadian Refractory Cement at Calcutta Docks.....	352
New Zealand: Unloading Motor Car Tires from Canada at Auckland, New Zealand..	192
Norway: Storing Canadian Wheat at Oslo, Norway.....	1024
Straits Settlements: Army Bakery and Cold Stores at Singapore, Straits Settlements..	408
United Kingdom: Canadian Cheese at Bristol, England.....	152
Exhibit of Canadian Timbers, British Industries Fair, Birmingham, 1938.....	824
Fleet of Coal Wagons made from Douglas Fir by the Cambrian Wagon Works Ltd., Cardiff, Wales.....	1096
Laying Pavement Blocks of Canadian Douglas Fir, Trafalgar Square, London....	112
Manufacturing Flour Barrels in England from Imported Canadian Staves.....	856
Part of the Canadian Exhibit at the Imperial Fruit Show, Bristol, 1938.....	992
Shipment of Canadian Turkeys, Chickens and Ducks received by a Liverpool Firm for the Christmas Trade.....	1056
Typical 'Bus Side advertising Canadian Tomatoes in a London Street.....	224
Weighing Canadian Oats on Discharge from Steamer at Bristol, England.....	568
Wood-pulp from Canada being discharged at the Bristol City Docks.....	752
United States: Unloading B.C. Douglas Fir and Hemlock off Barge at Brooklyn, N.Y..	952

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